

The world's most expensive twist suiting cloth

Reid & Taylor

FEEL SAFER WITH SURELOK Britax

The Britax double-acting inertia reel seat belts

CONTINENTAL BELLING PRICES: AUSTRIA S.15; BELGIUM F.25; DENMARK K.23; FRANCE F.32; GERMANY DM.12; ITALY L.500; NETHERLANDS F.2.0; NORWAY K.3.5; PORTUGAL Esc.20; SPAIN Ptas.40; SWEDEN K.3.25; SWITZERLAND Fr.2.5; YRF 120

NEWS SUMMARY

GENERAL

Soweto tense after boy dies

Police reinforcements were drafted into the South African township of Soweto after the death of a 17-year-old youth...

Windscale and nuclear risk

The worst possible accident at British Atomic Fuel's proposed plant at Windscale would result in only minimal damage...

Irish vote to-day

Mr. Liam Cosgrave's Coalition Fine Gael-Labour Government is expected to be returned for a second term...

Prince intervenes

Prince Charles met shouting, placard-waving demonstrators when he visited a black people's project centre at Lewisham...

Janata success

The Janata Party swept to power in six northern Indian states, heavily defeating its Congress rivals...

Scrap verdict

Sports car enthusiast Mr. Claudio Rigoli claimed in the High Court for his Alfa Romeo Junior Sprint, which was towed away...

Briefly

Spain went to the polls yesterday amid elaborate security precautions, which failed to prevent the explosion of several bombs...

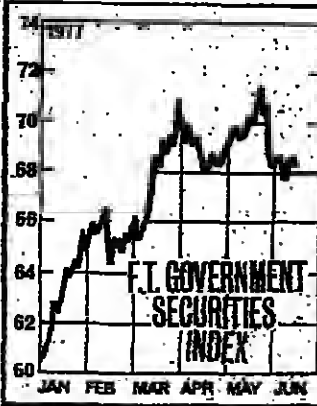
CHIEF PRICE CHANGES YESTERDAY

Table with columns for item names and price changes. Includes categories like RISES and FALLS.

BUSINESS

Gilts fall sharply; equities off 5.3

GILTS - treated as political uncertainties undermined market sentiment. Closing prices



FT GOVERNMENT SECURITIES INDEX

were the lowest of the day. The FT Government Securities Index fell 0.45 to 68.22.

EQUITIES opened firmly but drifted down in this trade. The FT 30-Share Index slipped 5.3 to 450.1.

STERLING gained 7 points to close at \$1.7198 and its trade-weighted index rose to 61.8 (61.5). Dollar's trade-weighted depreciation widened to 1.17 (1.14) per cent.

GOLD rose \$1.50 to \$199.125 on speculative demand.

WALL STREET was down 3.81 at 918.78 near the close.

MEXICO AND CHINA are among a number of Latin American countries facing growing difficulties over their debt to foreign commercial banks.

EEC COMMISSION plans to raise up to 10% of the unit of account (166.66) in loans for industrial energy and regional projects to stimulate economic growth.

GOVERNMENT proposals for safeguarding company profits under the new prices policy have been rejected as inadequate by the CBI and other business groups.

NALGO, the National and Local Government Officers Association, decided to support any new incomes policy negotiated between the Government and the TUC.

JAPAN and the U.K. will hold new talks in London next week on the agreement to limit the power of Japanese TV sets.

AMALGAMATED METAL Corporation announced it had suffered a loss of up to \$1.5m following a fraudulent transaction by an overseas merchant claiming to sell lead and zinc.

COMPANIES COMPARE lifted pre-tax profit to \$5.96m (23.44%) on sales of \$56.4m (24.5m) in the half-year to April 3. Page 25 and Lex

ALGOTS, the Swedish clothing concern, has started bankruptcy proceedings - the first rumpet proceedings - of a company quoted on the Stockholm stock exchange since the 1932 crash of Ivar Kruger, the 'match king'. Page 29

AFTERMATH OF FINANCE BILL DEFEATS

Doubts grow among Liberals about renewing pact

BY PHILIP RAWSTORNE

Mr. James Callaghan last night appeared to be threatened with an autumn general election by growing doubts among Liberal MPs about the renewal of their pact with the Government at the end of the session.

In a party political broadcast, Mr. David Steel, the Liberal leader, publicly questioned whether the Government could be expected to honour the agreement to sustain the pact with the Liberal Party.

The Labour Party is proving a difficult, fragile and internally divided partner. Unless they pull themselves together, we may have to have an election in the autumn, he said.

At the same time, Mr. Jim Gimmond in London launched a vitriolic attack against socialism which he claimed could lead to political dictatorship.

But Government Ministers, though badly shaken by the series of humiliations on Tuesday, remained confident last night the pact would be maintained.

The Liberal threats were dismissed as "subversive" by Mr. Steel is known to be anxious to renew the agreement. Ministers are convinced that he recognises it would be electoral suicide for the Liberals to precipitate an early poll.

Conservatives, watching the increasing strains with amused and optimistic expectation from the sidelines, also doubt whether the Government can be forced to go to the country this autumn. But party leaders believe that the Government cannot survive the sort of

Disillusion

Disillusion is spreading among Liberal MPs over the Government's performance on the three main elements of its party devolution, direct elections and the fight against inflation.

Liberal MPs are also incensed by the free rein being given to Labour's anti-market forces and left-wingers. Any repetition of the Finance Bill committee on Tuesday when Mr. John Perce, who supported the Government while two Labour MPs contrived in its defeat to make the party look ridiculous, they claim.

In such circumstances, it might be better to force an election and take their chances.

The Prime Minister is therefore expected to provide some stronger indications of his commitments to the pact at today's Cabinet meeting.

The Liberals look to him to honour his bargain by recommitting the proportional representation system of voting for European direct elections. And the only form in which this will be acceptable is for that system also to be included in the legislation to be introduced early next month.

Ministers having been given a free vote, the Liberals declared that any more wavering on the issue will inevitably lead to the abandonment of the pact at the end of the session.

If the Prime Minister fulfils his commitment, the Liberals say, any attempt by the Conservatives to break the pact by voting down the European legislation will be counterproductive.

Liberal demands on devolution are also hardening. Though accepting no further progress could be made this session, they are now seeking the publication of a new Government package before the summer recess.

Other issues to be included in separate Bills for Scotland and Wales, tax-raising powers for

Continued on Back Page Editorial Comment, Page 22

Commonwealth heads condemn racist regimes

BY BRIDGET BLOOM AND REGINALD DALE

COMMONWEALTH Heads of Government ended their London summit last night with their toughest ever condemnation of what they called the "racist minority regimes" in Southern Africa and with an equally strong denunciation of the "massive violations of basic human rights in Uganda".

Though the 33 Commonwealth members present in London are not irrevocably committed to specific action on either matter, the final communique leaves little doubt where they stand on the issues of principle in both cases.

In the communique, endorsed by all the leaders, South Africa and Rhodesia's white minority rule is unreservedly condemned in language more usually heard from African resolutions on the subject at the United Nations and elsewhere.

The Heads of Government expressed deep concern over the increasing danger to international peace and security in Africa and the failure of efforts to achieve a negotiated settlement in Zimbabwe and Namibia arising from the continuing intransigence of the racist minority regimes in Zimbabwe and South Africa and the failure of efforts to achieve a negotiated settlement.

On Uganda, it said: "Cognisant of the accumulated evidence of sustained disregard for the sanctity of life and of massive violations of basic human rights in Uganda, it was the overwhelming

view of Commonwealth leaders that these excesses were so gross as to warrant the world's concern and to evoke condemnation by Heads of Government in strong and unequivocal terms."

These extremely strong words - without doubt the toughest ever condemnation of any Commonwealth country - by others - are believed to have caused considerable problems in the final stages of the conference yesterday. Nigeria, in particular, argued for a more general and less trenchant declaration.

Instead, the Commonwealth Sanctions Committee, in existence since 1966, is to be asked "urgently to study" breaches of sanctions, including oil.

They would also re-examine legislation to strengthen enforcement procedures.

The economic front of the Commonwealth leaders acknowledged the importance of all the main demands of the developing countries. They called for "renewed and more intensive efforts to pursue and advance the North-South dialogue in a spirit of mutual respect and responsible international institutions".

The communique limited itself to general statements of good intention rather than trying to solve any of the main issues.

The main concrete step was to set up a technical working group on the Common Fund to establish commodity prices the developing countries are seeking.

Gulf Oil says it had to join cartel of uranium producers

BY STEWART FLEMING IN NEW YORK AND DAVID FISHLICK IN LONDON

GULF OIL, the U.S. energy corporation, claimed yesterday that it was compelled by the Canadian Eastern District of Virginia, Government to join an international cartel of governments and uranium producers - including for his present post, he knew about what is now known as the "club". But he was not privy to what it was supposed to be doing.

The Gulf claim is set out in a 70-page deposition released to a witness for Westinghouse Electric, to answer questions from the U.S. electricity industry attempting to establish that Westinghouse's uranium purchasing policy had kept the world market for uranium artificially depressed, and had possibly contributed to future uranium shortages.

Westinghouse is accusing several non-U.S. uranium producers of forming a cartel to fix prices and quotas. The Gulf report claims that Gulf's participation in the cartel was more widespread than has hitherto been reported.

Mr. Terry Price, secretary-general of the Institute, told

Judge Robert Herzig, of the U.S. District Court for the Eastern District of Virginia, that from about October, 1974, when he was being recruited by Westinghouse to join the uranium producers - including for his present post, he knew about what is now known as the "club". But he was not privy to what it was supposed to be doing.

Mr. Price was appearing as a witness for Westinghouse Electric, to answer questions from the U.S. electricity industry attempting to establish that Westinghouse's uranium purchasing policy had kept the world market for uranium artificially depressed, and had possibly contributed to future uranium shortages.

Westinghouse is accusing several non-U.S. uranium producers of forming a cartel to fix prices and quotas. The Gulf report claims that Gulf's participation in the cartel was more widespread than has hitherto been reported.

Mr. Jerry McAfee, Gulf's chairman, is due to give evidence of

the company's association with the cartel to the U.S. House of Representatives Oversight and Investigation Committee.

The New York State Assembly report claimed that Gulf officials attended meetings of the cartel in Paris in March and April, 1972, and in Johannesburg in June.

Gulf says that in spite of its reservations about the trust implications of the cartel - which it has been alleged involved not only RTZ subsidiaries, but also Denison Mines, a Canadian producer - it was compelled to join by the Canadian Government.

Gulf also challenges the allegations that it was the actions of the cartel - disbanded in 1975, it suggests - which accounted for the seven-fold rise in uranium prices between 1972 and 1976 to \$41 a pound.

It does not deny the existence of the cartel but argues that a major factor in the price rise was the policies of Westinghouse.

Continued on Back Page

Bank warns on pay rises and inflation

BY MICHAEL BLANDEN

A WARNING that interest rates might have to rise again, if hopes of continued wage restraint and a fall in the inflation rate are disappointed, is given to-day by the Bank of England.

The Bank's assessment of the economic situation in its latest Quarterly Bulletin concentrates mainly on issues of monetary policy and is unusual in mentioning no direct comment or recommendation on pay policy.

It makes clear, however, the Bank's view that excessive wage rises and continued high inflation would be done by a further real economic growth within the present monetary constraints.

In a special comment on company profitability, moreover, the Bank stresses the serious damage which would be done by a further period of rapid inflation to the outlook for a recovery of fixed investment.

The Bank argues that unless there is an early move to higher profits investment is unlikely to be adequate to sustain a satisfactory rate of growth.

A further period of rapid inflation would damage profits and investment directly, and at the same time would postpone the time when faster expansion and the stimulus this would give to investment can be resumed.

The rise in wage costs, the Bank will note, is significant, but below the expected 9.13 per cent, rate of monetary expansion in the current financial year to leave any room for real economic growth.

The public announcement of targets for monetary policy in terms of domestic credit expansion and the related figures for the expected growth of money supply, the Bank argues, have created a different environment for policy.

They provide a re-assurance of official intentions and semi-

automatic way of building a barrier against inflation. The implication is, however, that continued rapid inflation will not be accommodated by monetary policy.

It inflation remains rapid, therefore, "the more restrictive monetary conditions which would then develop would tend to reduce the rate of real growth".

Furthermore, the Bank points out, the very sharp fall in interest rates in recent months - with minimum lending rate coming down from a peak of 15 per cent, to 8 per cent - has probably reflected expectations of lower price inflation.

This fall, and by implication the accompanying rise in full-time wages, is "well justified by a satisfactory prospect for wages".

However, against the implied background of the present uncertainty over these "Three of the main issues of investment", "A less satisfactory prospect might show that by May the market had over-reacted to improved expectations, and that an upward adjustment in interest rates was necessary."

The Bank is discussing with the banks the possibility of producing weekly money supply data to improve the ability of the authorities to monitor and react in sharp short-term fluctuations.

The concern about investment prospects is based on evidence given in the Bulletin of a continued sharp decline in the real profitability of the commercial and industrial company sector, to a level "clearly below that required as a reasonable basis for investment". At the same time, the cost of capital has been rising.

Details, Page 20

Table with columns for Features and FT Survey. Includes items like Economic viewpoint, The construction industry, etc.

Table with columns for Appointments, Letters, etc. Includes items like Appointments, Letters, etc.

The bank that understands Australians and Australia

Despite all the historic connections, for a British businessman doing business down under, Australians and Australia can need quite a bit of understanding.

The National Bank of Australasia Limited

6-8 Tokenhouse Yard, London EC2R 7AJ. Telephone 01-606 8070. Head Office: 271-285 Collins Street Melbourne, Victoria.

UMBARD

Silence of the Euro-lobby

BY ANTHONY HARRIS

UP TO NOW, most Europeans have greeted the new country with an embarrassed silence. They may have noticed that Dr. David Owen's attempts to rouse enthusiasm for the EEC's achievements have received little notice and less response; they may be wishing to join Commissioner Tugendhat as critics of the Common Agricultural Policy; they may simply be hoping that the whole question will go away. Whatever their motive, the result could be dangerous.

Food policy

There is a certain morbid satisfaction in all this for those like myself who always felt that the economic case for joining the EEC was often dangerously overstated; those who have promised miracles deserve to be toggled. All the same, it is hard now to see any alternative to trying to make membership work; the alternative buses, if there ever were any, is more than a decade ago. What follows then is a sceptic's review of the unargued issues.

TV Radio

- 5.40 News. 5.55 Nationwide (London and South-East only). 6.20 Nationwide. 6.45 Tomorrow's World. 7.10 Top of the Pops. 7.50 Royal Heritage. 8.00 News. 8.25 The Frost Programme. 8.35 Omnibus. 8.45 Tonight. 11.25 Weather/Regional News. All Regions as BBC 1 except at the following times:-

F.T. CROSSWORD PUZZLE No. 3406

Crossword puzzle grid with numbers 1-28 and a word list including 'Dogfish clubs making waves', 'Expose United Nations disguise', 'Moderate restraint required to govern', etc.

- ACROSS: 1 Dogfish clubs making waves? (7,5). 10 Expose United Nations disguise (7). 12 Moderate restraint required to govern (7). 13 Clonny draught to bring up (8). 15 Ring embassy—it's been left out (8). 16 ... and just a lake and nothing more (4). 21 Want part of one edition (4). 22 A religious dissenter? (10). 23 War cries given by heavenly guardians? (3,5). 24 Smiling in chagrin (5). 26 Network the French put round the loft (7). 27 Start of crack in tyre could be fundamental (7). 28 Apes returning amidst applause, but it's parsimonious (6,5).

RACING

Ground suits Buckskin

WITH THE ground in his favour, Mr. Daniel Wildenstein's outlay on the Prix de Barbeville, Prix Jean Prat and the Prix du Cadran already this season, is only marginally preferred to Sagaro in the betting.

ROYAL ASCOT 2.30—Seafreel Blessed*** 3.05—Deed of Gift 3.45—Buckskin* 4.20—Leonora 4.55—Soothera 5.30—Tn Mine**

SALEROOM

Jewellery realises £260,706

A SAPPHIRE and diamond necklace and bracelet were sold for £18,000 to a private buyer and another private buyer gave £14,000 for a cushion-shaped diamond single stone ring at a sale of jewels by Christie's in London yesterday.

TV Radio

- 5.40 News. 5.55 Nationwide (London and South-East only). 6.20 Nationwide. 6.45 Tomorrow's World. 7.10 Top of the Pops. 7.50 Royal Heritage. 8.00 News. 8.25 The Frost Programme. 8.35 Omnibus. 8.45 Tonight. 11.25 Weather/Regional News. All Regions as BBC 1 except at the following times:-

F.T. CROSSWORD PUZZLE No. 3406

Crossword puzzle grid with numbers 1-28 and a word list including 'Dogfish clubs making waves', 'Expose United Nations disguise', 'Moderate restraint required to govern', etc.

- ACROSS: 1 Dogfish clubs making waves? (7,5). 10 Expose United Nations disguise (7). 12 Moderate restraint required to govern (7). 13 Clonny draught to bring up (8). 15 Ring embassy—it's been left out (8). 16 ... and just a lake and nothing more (4). 21 Want part of one edition (4). 22 A religious dissenter? (10). 23 War cries given by heavenly guardians? (3,5). 24 Smiling in chagrin (5). 26 Network the French put round the loft (7). 27 Start of crack in tyre could be fundamental (7). 28 Apes returning amidst applause, but it's parsimonious (6,5).

BY DOMINIC WIGAN

England have chance to regain the Ashes

THE ENGLAND team for the Jubilee Test, with Miller presumably 12th man, is the same as for the Centenary Test, which they lost by a narrow margin earlier in the year, except Fletcher has been replaced by Barlow.

The Melbourne match was absorbing throughout, even if the overall standard of the cricket was below what we would expect at the highest level. It is to be hoped the Lord's Test, starting to-day, will provide as much excitement and a different result.

BY PAMELA JUDGE

Two new NatWest directors

Mr. John Pile and Mr. Martha Harris have been appointed directors of NATIONAL WESTMINSTER BANK from July 1. Mr. Harris also becomes a director of County Bank on the same date. Mr. Pile has been chairman of Imperial Group since 1975. Mr. Harris is director of finance and planning of Rectipac and Cobham.

TV Radio

- 5.40 News. 5.55 Nationwide (London and South-East only). 6.20 Nationwide. 6.45 Tomorrow's World. 7.10 Top of the Pops. 7.50 Royal Heritage. 8.00 News. 8.25 The Frost Programme. 8.35 Omnibus. 8.45 Tonight. 11.25 Weather/Regional News. All Regions as BBC 1 except at the following times:-

F.T. CROSSWORD PUZZLE No. 3406

Crossword puzzle grid with numbers 1-28 and a word list including 'Dogfish clubs making waves', 'Expose United Nations disguise', 'Moderate restraint required to govern', etc.

- ACROSS: 1 Dogfish clubs making waves? (7,5). 10 Expose United Nations disguise (7). 12 Moderate restraint required to govern (7). 13 Clonny draught to bring up (8). 15 Ring embassy—it's been left out (8). 16 ... and just a lake and nothing more (4). 21 Want part of one edition (4). 22 A religious dissenter? (10). 23 War cries given by heavenly guardians? (3,5). 24 Smiling in chagrin (5). 26 Network the French put round the loft (7). 27 Start of crack in tyre could be fundamental (7). 28 Apes returning amidst applause, but it's parsimonious (6,5).

ROSVENOR HOUSE ANTIQUES FAIR UNTIL 18 JUNE 1977 Daily 11 am until 7.30 pm. Today to 10 pm. Closed Sunday. Admission £1.50 including illustrated handbook. Grosvenor House, Park Lane, London W1A 3AA. Telephone 01-499 6363.

Handwritten signature or mark at the bottom of the page.

Handwritten signature or mark in a box.

Divinas Palabras

by MICHAEL COVENEY

The Nuria Espert Company were last seen in London with *Yerma*, the famous production by Victor Garcia which has a stunning physical contrast to the sexual and maternal longings of a barren woman in the barren world of the plays of Lope de Vega (1569-1635) is unknown to British audiences, although we have been well primed by Genet, Arrabal and the films of Buñuel. Now released from the era of censorship which kept his plays firmly in the library, Valle Inclán offers an obvious challenge to a director of Garcia's visually explosive temperament.

Divinas Palabras is set in a small Spanish village where the peasants are trained against the pious restrictions of the Church, represented by Pedro Gallo, the Sexton. Garcia's stage is a timeless nightmare of a place occupied by men bared to the waist and women pulling frustratedly at each other's altered dresses. They are slaves to their environment, mobilising right huge trucks heavy with tall organ pipes grotesquely decorated with trumpets. They move the scenery around but are dominated by the locations they create. A dying, sybilic old woman trundles on with a battered harmonium bearing her son, a hydrocephalic dwarf (Jose Jaime Espinosa). The dwarf tortures the villagers and is a cherished source of meagre income. The action is punctuated with the pathetic, monotonous sound of the wheezing harmonium.

Stalking the village is the romantic, one-eyed Septimo Miao (Antonio Canal) who incorporates the movements of his own *Bonnie and Clyde* into his presence. The Sexton's wife, Maria Galia (Nuria Espert) is immediately attracted by his reputation and sacrifices herself to his hypnotic advances, but she is also anxious to take over the dwarf once his guardian is dead.

The Entertainment Guide is on Page 34



Clive Arrindell and Louise Purnell in 'Henry V' at Regent's Park Open Air Theatre

Aldeburgh Festival and Holland Park Court Theatre

Acis and Galatea

Having previously, in 1966, presented the English Opera Group's *Acis and Galatea*, Aldeburgh on Tuesday gave us the work in concert performance. Its most notable point of interest, beyond those common in the catalogue of musical delights which Handel's score was in the attempt to perform the music in manner as near as possible to the 1718 original.

It is uncertain whether at Cannons, where *Acis* was first performed, the work was actually staged. It is certain that it was planned for performance with small forces—probably no more than seven instrumentalists and five singers, a fifth voice joining the soloists to complete the chorus. Here, eight players, including George Malcolm, who directed from the harpsichord, and six singers (the chorus composed of three male soloists, Mary Clarkson as soprano, and James Bowman as his counter-tenor) combined to show how remarkably certain was Handel's command of his means, how specific and exact his use of them.

A feature of the 1718 score, awkward to reproduce by stage companies and conventionally disposed choirs is the division of the chorus into soprano, tenor, and bass (the familiar SATB arrangement of the choruses was by Sir Joseph Barnby 170 years later). The poignant contrast between Galatea's "Must I my Acis" and the four male voices' accompanying "Cease Galatea, cease" was only one example in which was demonstrated the Handelian mastery of vocal colour—imperial, even when in the case of the SATB version only slightly, by rearrangement. The pleasures of *Acis* was never Pastoral more ravishingly evoked, more existentially transformed, more subtly modulated into tragedy, rounded off with nice dramatic poise? Was ever the succession of Handelian melody, adorned in instrumental colours, whose direct, constant source of wonder, more captivating? Apostrophe and gushing rhetorical question flood out even fiercer than usual, for with a small band of instruments—two each of violins, cellos and oboes, recorder and harpsichord, beautifully balanced and sprung under Mr. Malcolm's direction—the linked mastery of scoring and musical invention and dramatic

side by side with Whitmanesque rapture.

MAX LOPPERT

The Silver Jubilee Season at the Holland Park Court Theatre, which continues until mid-August with concert, drama, ballet and opera, was inaugurated on Tuesday with a staged production of Handel's *Acis and Galatea*, given by the Handel Opera Society. Though the rain kept off, the performance was subjected to all the distractions—low-flying aeroplanes and screaming children in particular—to which open-air theatricals are prone. Nevertheless, Handel triumphed, providing his own special effects in the form of bird-song and bubbling brooks.

The piece is simply and stylishly produced by David Thompson, and designed by Imogen Magnus and Miranda Melville. In the first, pastoral scene, Anthony Rolfe Johnson as Acis and Joy Roberts at Galatea bill and coo like the doves that Galatea invokes as comparison for her love. Mr. Rolfe Johnson, in specially lyrical voice despite the damp cold, sings "Love in her eyes" with much charm. On the entry of Polyphemus, the mood becomes more serious, though Ian Wallace, who plays the giant, finds plenty of humour in his music.

He can still project the words of "O lover! even if the tone is drier and the voice less flexible than of old. Peter Jeffes sings pleasantly as a cool, disengaged Damon, but the Society Chorus has some trouble with pitch and ensemble, due no doubt to a breeze howling the sound of the orchestra away from the stage. Charles Farncombe, accomplished Handelian, conducts the Chamber Ensemble to an elegant account of the score. Michael Aron's recorder is particularly eloquent. There are performances all this week.

ELIZABETH FORBES

The Books Page will appear in to-morrow's paper



Janet Suzman and Ian Bannen in 'Hedda Gabler' which opened last night at the Duke of York's Theatre

Covent Garden plans

There will be five new productions by the Royal Opera at Covent Garden during the 1977-1978 season: *Lohengrin*, produced by Eijah Moszkow, designed by John Napier, conducted by Bernard Haitink; *Die Fledermaus* (Leopold Lindtberg, Julia Trevelyan Oman, Zabin Mehta); *Idomeneo* (Götz Friedrich, Stefanos Lazaridis, Colin Davis); *Lucio Silla* (produced and designed by Filippo Sanjust, conducted Lorin Maazel); and the world premiere of John Tavener's first full-length opera, *The Secular* (David William, Alan Barlow, Edward Downes), in addition to the English National Opera's production of *Merin Suarda* will be presented, together with revivals of *The Trojans*, *Dun Carlos*, *Salome*, *Le nozze di Figaro*, *Pemh in Venice*, *Tristan and Isolde*, *Madama Butterfly* and *Die Walküre*.

'Arsenic and Old Lace' to transfer to Westminster Theatre

Joseph Kesselring's thriller *Arsenic and Old Lace* will open at the Westminster Theatre on Monday June 20. It was at the Whitehall Theatre prior to opening at the Westminster and stars Barbara Mullen, Joyce Heron and Julian Holloway.

Schwarzkopf indisposed

Elisabeth Schwarzkopf has been ordered by medical advisers to rest her voice completely for two months and is unable to fulfil her engagements in this country between June 21 and July 10. Her concerts and master-classes at the Brighton and Newcastle Festivals have been cancelled but it is hoped to reschedule the recitals planned in Dudley, Exeter and Norwich at a later date.

Elizabeth Hall

A Mozart jam-session

by PAUL GRIFFITHS

Let my heading alarm, let me quickly ally all ears. A Mozart jam-session, to judge from the one given by the Canadian ensemble Camerata on Tuesday, is remarkably like a Mozart chamber recital, and I find it odd that the players should have elected for a title not only out of place but out of date. But then, as we know, the popular music of yesterday is not without its friends in Canada. To be fair, though, the gentlemen did wear casual suits, and the non-playing musicians did turn around on the platform to turn pages or just sit. Behindings there's informality for you.

The real importance of a mixed ensemble like Camerata lies in versatility of programming. Even if similar groups in this country have long been showing the way, it was a great pleasure to be able to hear three varied masterpieces by Mozart—the C major Piano Trio K.545, the Andante and Variations in G for piano duet, and the Trio for clarinet, viola and piano—within a single concert. The programme was enough to make one wonder afresh at Mozart's genius.

It also demonstrated how difficult it is to perform Mozart adequately, let alone well. The gift of profound simplicity is rare, and it was rarely in evidence on this occasion. Otto Armin, the violinist of the ensemble, showed discernment now and then in the D major Flute Quartet, but he was plagued by problems with his instrument, and these spoiled most of his best chances in the Piano Trio. There the honours went to the rellist, Conrad Ebenstad, whose discreet approach was refreshing, especially when Elyakim Tausig was bringing rhythmic idiosyncrasies to the piano part. Mr. Tausig was joined by Kathryn Root for the duet work, which they began by reducing to a piece of toy-music. I imagine

Evian prize

The first prize for young string quartets in the international competition held at Evian, described by Max Loppert on May 28, was awarded unanimously to the Hungarian Takacs-Nagy quartet. Second prize went to the Athenaeum quartet from Romania, and the American Audubon quartet was commended for its performance. The next competition will take place at Evian on May 4-11, 1978.

The Heinemann Award

The award for 1976 under the William Heinemann Bequest (The Heinemann Award) has been shared by Philip Ziegler for *Melbourne* (published by Collins) and Edward Crankshaw for *The Shadow of the Winter Palace* (Macmillan). The Winterville Holiday Prize for the best regional novel of the year has been won by Eugene McCabe for his first novel *Victims*.

Maggio Musicale Berio's Opera by DOMINIC GILL

In an uncommonly enterprising kaleidoscope, a parody of the mainstream festival programme of recitals, orchestral and choral concerts, ballet and opera during the whole of May and June, the 40th Maggio Musicale in Florence this year itself, but rather to the plural also paid special tribute to the work of the foremost living Italian composer, Luciano Berio. Two programmes at the Teatro Pergola, each four times repeated, offered a cross-section from the best of Berio's large and varied output. The first presented three major works, the recent *A-Ronne* for eight solo voices and *Chiamata* for IV for oboe and 11 strings as prelude to a staged performance with dancers of *Labirinto II*, still, after 12 years, with or without visual distraction, one of Berio's most powerful and original musical creations. And for the second, the Maggio Musicale offered the European premiere of the new version of Berio's opera—a music-theatre extravaganza in three acts, commissioned by and first performed at Santa Fe seven years ago.

The seeds of *Opera* were born some time before that still in Milan in 1966, when Umberto Eco, Furio Colombo and Berio decided as a joint experimental venture to write a *representazione*—or at the fashionable phrase had it at the time, an "open opera"—on the subject of the Sinking of the Titanic. It was to be both drama and parable: "what had happened on the Titanic could happen just as well yesterday, to-day, to-morrow. Someone who is so busy perfecting his methods and organising all his relationships can easily forget what course he is supposed to be following—even in such a complex amassing of 'achievements,' loss of direction entirely." Berio never wrote the music to that libretto; but certain central images from it, as well as some passages of the original text, survive in *Opera*. The newly revised version is substantially the same as that given by the Open Theatre of New York at Santa Fe in the summer of 1970. There are some important changes in orchestration, in the ordering of the scenes, and in certain sections of the text; but the skeleton of the work remains unaltered. *Opera* is not an opera—but an extravaganza, a meditation, a dream, a "morally play," a

Festival Hall

Prokofiev by DOMINIC GILL

Fast tempi are in the air this week. On Monday, Karajan rushed the Berlin Philharmonic magnificently, but rushed them nonetheless, through the first movement of Mahler's Sixth. On Tuesday, the London Symphony Orchestra under Claudio Abbado began their all-Prokofiev programme with an account of the first symphony that was, if not exceptionally tidy, at least sweet, neat and well-made—and remarkably brisk in the first two movements especially for a work which unfolds with such relaxed and amiable effortlessness, surprisingly hurried, too urgent for the breath and breadth of the music, and for its delicate pointing.

Abbado's haste was quickly by a far richer poetical insight than the noisier, brasher, but essentially earthbound account of the same symphony we had heard from Kondrashin and the RPO a few weeks before. Orchestral textures especially were beautifully graded; the fiery lights and deep, dark sonorities of the first movement; the ghostly *pianissimo* landscape of the second, palely floating, perfect pre-Raphaelite sonority; the fairy walkings of the scherzo, chilling glissandi, drawn to their nightmarish climax; the finale, bright with demonic glint, thunderous (struck with powerfully restrained; brighter and more exciting, and informed the last.

The exception that could prove to be your rule.

Quantity in an age of change.

LAREDO S/A INDUSTRIA E COMERCIO
Agricultural Machinery and Implements

Powered by the tractor PTO when connected to its hydraulic three points, or by stationary electric, petrol or diesel engines. Manual or Diesel Tractors, Corn Choppers, Grass Choppers & Haymowers, Mills and Tipping Trucks. Unsurpassed, robust, easy to operate and service, these are the right implements really.

Factory & Main Office: RUA 1º DE AGOSTO 11-57
17.100 BAURU (SP) BRAZIL, TELEX PUBLIC BOOTH 142158

EUROPEAN NEWS

EUROPEAN PARLIAMENT DIRECT ELECTIONS

France close to ratifying proposal

BY DAVID CURRY

PARIS, June 15.

RATIFICATION OF the international accord to introduce direct elections for the European Parliament seems certain to be pushed through the French National Assembly without a vote.

With the Gaullists insisting that they would press their motion to put off ratification, Prime Minister Raymond Barre was expected to invoke the procedure which transforms the measure into one of confidence in the Government. If this is done, the proposal passes into law unless a vote of censure is passed.

The Socialists have confirmed that they would not put down such a motion: they approve the proposal by-and-large and have everything to gain by forcing the Government into using emergency measures against the Gaullists. For his part, M. Jacques Chirac, the Gaullist leader, specifically confirmed in his speech in the Assembly that in view of the proximity of the general election and the need to economic programme the Gaullists would not table a motion of censure either.

It will be the first time that the emergency procedure, which has been used six times, has been invoked to ratify a treaty, and M. Michel Debre, the former Prime Minister and most passionate opponent of direct elections and himself the author of the controversial clause in

the 1958 constitution, has already said that he will challenge the procedure in the constitutional court.

Ratification by France, even by means of a hotly-disputed technique which avoids a Parliamentary vote, will leave the U.K. as the only country of the Nine

which launched a blistering attack on the recent record of the EEC. The Gaullists were impeccably European, he claimed, since only a united Europe could face up to the threat of the totalitarian regimes which endangered liberty and democracy and thus avoid Europe becoming the theatre of

her partners, the Italians, the Dutch, the Belgians, the Germans quite clearly saw it differently—the first step to federalism.

Then M. Chirac speaking his first Parliamentary speech since he resigned as Prime Minister in August, turned to a favourite theme. The wine growers of the south had been systematically ignored, the fishermen had their livelihoods threatened, livestock farmers were in desperate straits. As he condemned EEC inaction, the Assembly roared its approval.

But to include shipbuilding, chemicals, and textiles in the catchment could take. As the President of the National Assembly, M. Edgar Faure, declared in various orders, M. Chirac took breath. Just such a rabble, he declared to the delight of the Gaullist benches, could find itself part of the Government within a year. Just such a rabble which he, the totalitarianism behind a mask of democracy, just such a rabble which had been dedicated anti-European until electoral tactics wrought a miraculous change of mind.

Direct elections are a device to mask the lack of willpower and purpose in the EEC," he declared, as M. Faure, his bald head glistening, vainly called the Assembly to order. "The principal objective of the proposal is to create illusions."

Sunday atmosphere as Spain votes

By Paul Betts

PAMPLONA, June 15.

PERHAPS IT was not the most representative place to view Spain's first general elections since the Civil War. It was one of those small savidast-filled and derelict bars in the old quarter of Pamplona mainly patronised by resident drunks in those nondescript dark grey suits worn by drunks. The television set, perched high on one wall, blared the latest election news continuing throughout the night interrupted only by badly-dubbed imported crime serials.

There was a lull in an intense card game when a television reporter announced that the election campaign had cost a total of Pts.5bn. and that an additional Pts.10bn. would have to be spent to clean the cities littered with posters which the recent rains had transformed into a slippery masche. Until the very last minute, candidates of the smaller parties were out in the streets late in the night with buckets, brushes and paste splattering posters on top of rival pollings booths.

In spite of all the talk about boycotts and the "separatist" bombs which continued to explode in the rebel Basque provinces, among other things, in the early hours of this morning, the Basque nationalist movements, standing for a handful of seats.

At the same time, some were signing petitions to be despatched to "the King of all the Spanish Peoples" demanding the abolition of all Civil War monuments as a first step towards effective democracy.

And if there were few illusions about the democratic aftermath of the elections, the parties, and the people in the streets, acknowledged that the first thing they had been able to express their unhindered political views. As one Carlist voter remarked, if the elections have served any purpose at all, it had been its propaganda value for the wide range of minority parties in Spain.

The presence of the paramilitary Civil Guards and the armed police—"Los Grises" or the Greys—was discreet and tactful in the streets of Pamplona. The first thing they had been able to express their unhindered political views. As one Carlist voter remarked, if the elections have served any purpose at all, it had been its propaganda value for the wide range of minority parties in Spain.

The general mood remains tense and unpredictable but so far there have been only isolated incidents. As the television news anchors have been on about swingmeters and electoral trends, and the people, in the traditional local custom, hover from bar to bar, the sun, at least in Pamplona, also seems to be rising.

West moves to safeguard discussion of human rights

BELGRADE, June 15

THE WEST moved quickly to-day to head off expected Soviet attempts to limit discussion of human rights during the European security conference.

The second-stage conference began to-day when nearly 200 senior diplomats met for preparatory talks to lay the ground for a higher-level meeting in the autumn.

Western countries at once tabled a blueprint agenda for the 35-state gathering that would permit open-ended discussion on all aspects of détente.

Conference sources said the plan, presented by Britain which acted for the European community, was designed to facilitate searching analysis of human rights—a topic the Soviet bloc would prefer not to be the main focus.

This year's conference in Belgrade follows up the August 1976 Helsinki European security conference attended by European states, the U.S. and Canada.

Yugoslav police acted swiftly just before to-day's meeting to prevent a demonstration by British, U.S. and other women on behalf of Jewish dissidents arrested in the Soviet Union.

Fifteen women were detained some at their hotel, as they prepared to go to the conference centre to unfurl protest banners. They were ordered to pack and taken to the airport for deportation.

Human rights, pressed forcibly by U.S. President Jimmy Carter, are expected to overshadow preparatory stage, due to last about six weeks, and possibly the full conference, starting in late September or early October.

Western officials said the British procedural plan, supported by the U.S. and the Nato alliance as well as the Common Market, laid down ground rules for the agenda, timing, procedure of the full conference. Britain is currently president of the Common Market.

A Nato diplomat said the print was intended to pave for a "workmanlike and quiet start to the conference, avoid polemics."

It was designed to facilitate painstaking work of progress and failures of the Helsinki conference.

The Helsinki summit, the next diplomatic gathering of kind, ended with a "final" calling for new efforts to ease European security, to expand trade co-operation, and to increase human contacts westward.

Little room for manoeuvre likely in Franco-W. German summit

BONN, June 15

THE REGULAR Franco-West German summit consultations begin here to-morrow in unpropitious circumstances.

Chancellor Helmut Schmidt and President Valéry Giscard d'Estaing, once accused of forming a Bonn-Franz axis within the European Community, are both under heavy pressure at home and their room for manoeuvre is small.

While the list of likely discussion topics is long, it includes problems of EEC enlargement, the follow-up to the North-South dialogue and East-West relations—the prospects of progress, but alone of concrete initiatives, are poor.

After the previous round of talks in Paris in February, it was common to hear the German side expressing regret that the French President had so hemmed in by his delicate internal political situation.

Now Herr Schmidt's Social Democrat-Liberal coalition is in danger of falling apart, a move to include Greece and later Spain and Portugal. Accordingly, the French President arrives in Bonn later this year.

The latest estimate is that the coalition will muster a majority, but the vote is a symptom of more deep-seated tensions which are bound to re-emerge before long.

As a gesture to help M. Giscard d'Estaing, once Schmidt agreed to a formula suggested by the President, envisaging closer economic and monetary co-ordination between the two countries. It also foresees presentation of proposals in this field to EEC partners later this year.

Expects met earlier this month to discuss the matter and it is likely to be taken up again during the summit. But Bonn has long since ceased to hope that French economic development might run parallel to the German, creating a firm basis on which wider European economic and monetary progress could be achieved.

The German side remains firmly committed both to direct elections to the European Parliament next year and to enlargement of the community, initially to include Greece and later Spain and Portugal. Accordingly, the French President arrives in Bonn later this year.

The latest estimate is that the coalition will muster a majority, but the vote is a symptom of more deep-seated tensions which are bound to re-emerge before long.

the election project. But it is disturbed by apparent French reservations on a Greek entry, a topic likely to be raised in talks between French Foreign Minister, Louis de Guiringauds and German counterpart, Herr Dietrich Genscher.

Herr Genscher will also be reporting on his talks this week in Moscow with Soviet leader, including the Communist Party, Mr. Leonid Brezhnev, in due in Paris soon and may Bonn later this year.

Ironically, continuing relations about American policy help unite M. d'Estaing and Herr Schmidt on one item—"successful uses of energy."

Both France and West Germany have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities. While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

While President Giscard has appeared to yield somewhat to European views on nuclear issues, the French and German leaders have good reason to see many of them most proceed expansion of atomic power home and the export of nuclear facilities.

Big EEC loans plan proposed

BY DAVID BUCHAN

BRUSSELS, June 15.

THE EUROPEAN Commission plans to raise up to 1bn. European units of account (Ecu) in loans in an attempt to restore investment-led growth in the EEC.

M. Ortoli sought to counter suggestions that there might be slack demand for loans by arguing that with its Triple A credit rating the Community could get money on the cheapest terms and then lend it without profit. He said the possibility of subsidising interest on the loans had not been settled.

Defending the need for another Community loan mechanism, Mr. Ortoli said that existing institutions were either too specialised, like the European Coal and Steel Community, or in the case of bodies with more general scope, like the EIB, were reaching their upper lending limits. He said that he hoped that national Finance Ministers would soon agree to increase the EIB's capital.

Asked why the extra loans could not be provided through the proven competence of the EIB, which last year lent 1.2bn. u.a., much of it to energy and regional projects, the Commissioner replied that the Commission had been praised for its handling of its own loans on the international money markets and that there was room for increased loan activity by both the Commission and the EIB.

He added that he was asking member States to put no fixed time on the line of credit, so that the Commission could go to the market for the "right projects." It has not been settled whether the guarantee to lenders would be provided by member States or from the EEC budget itself, or by both.

U.S. warns rest of OECD on payments

could not be provided through the proven competence of the EIB, which last year lent 1.2bn. u.a., much of it to energy and regional projects, the Commissioner replied that the Commission had been praised for its handling of its own loans on the international money markets and that there was room for increased loan activity by both the Commission and the EIB.

He added that he was asking member States to put no fixed time on the line of credit, so that the Commission could go to the market for the "right projects." It has not been settled whether the guarantee to lenders would be provided by member States or from the EEC budget itself, or by both.

U.S. officials indicated that domestic pressure to reduce the U.S. current account shortfall, expected by the OECD Secretariat to be as much as a third of the OECD area's total of \$29bn. this year, would become difficult to resist by the Carter administration, in the absence of parallel efforts by Japan and West Germany.

According to the Secretariat's forecasts, Japan will have a growth rate of no more than 5 per cent this year and a current account surplus of \$6bn.

U.S. officials indicated that domestic pressure to reduce the U.S. current account shortfall, expected by the OECD Secretariat to be as much as a third of the OECD area's total of \$29bn. this year, would become difficult to resist by the Carter administration, in the absence of parallel efforts by Japan and West Germany.

According to the Secretariat's forecasts, Japan will have a growth rate of no more than 5 per cent this year and a current account surplus of \$6bn.

U.S. officials indicated that domestic pressure to reduce the U.S. current account shortfall, expected by the OECD Secretariat to be as much as a third of the OECD area's total of \$29bn. this year, would become difficult to resist by the Carter administration, in the absence of parallel efforts by Japan and West Germany.

According to the Secretariat's forecasts, Japan will have a growth rate of no more than 5 per cent this year and a current account surplus of \$6bn.

U.S. officials indicated that domestic pressure to reduce the U.S. current account shortfall, expected by the OECD Secretariat to be as much as a third of the OECD area's total of \$29bn. this year, would become difficult to resist by the Carter administration, in the absence of parallel efforts by Japan and West Germany.

According to the Secretariat's forecasts, Japan will have a growth rate of no more than 5 per cent this year and a current account surplus of \$6bn.

U.S. officials indicated that domestic pressure to reduce the U.S. current account shortfall, expected by the OECD Secretariat to be as much as a third of the OECD area's total of \$29bn. this year, would become difficult to resist by the Carter administration, in the absence of parallel efforts by Japan and West Germany.

According to the Secretariat's forecasts, Japan will have a growth rate of no more than 5 per cent this year and a current account surplus of \$6bn.

U.S. officials indicated that domestic pressure to reduce the U.S. current account shortfall, expected by the OECD Secretariat to be as much as a third of the OECD area's total of \$29bn. this year, would become difficult to resist by the Carter administration, in the absence of parallel efforts by Japan and West Germany.

According to the Secretariat's forecasts, Japan will have a growth rate of no more than 5 per cent this year and a current account surplus of \$6bn.

U.S. officials indicated that domestic pressure to reduce the U.S. current account shortfall, expected by the OECD Secretariat to be as much as a third of the OECD area's total of \$29bn. this year, would become difficult to resist by the Carter administration, in the absence of parallel efforts by Japan and West Germany.

According to the Secretariat's forecasts, Japan will have a growth rate of no more than 5 per cent this year and a current account surplus of \$6bn.

U.S. officials indicated that domestic pressure to reduce the U.S. current account shortfall, expected by the OECD Secretariat to be as much as a third of the OECD area's total of \$29bn. this year, would become difficult to resist by the Carter administration, in the absence of parallel efforts by Japan and West Germany.

According to the Secretariat's forecasts, Japan will have a growth rate of no more than 5 per cent this year and a current account surplus of \$6bn.

U.S. officials indicated that domestic pressure to reduce the U.S. current account shortfall, expected by the OECD Secretariat to be as much as a third of the OECD area's total of \$29bn. this year, would become difficult to resist by the Carter administration, in the absence of parallel efforts by Japan and West Germany.

According to the Secretariat's forecasts, Japan will have a growth rate of no more than 5 per cent this year and a current account surplus of \$6bn.

U.S. officials indicated that domestic pressure to reduce the U.S. current account shortfall, expected by the OECD Secretariat to be as much as a third of the OECD area's total of \$29bn. this year, would become difficult to resist by the Carter administration, in the absence of parallel efforts by Japan and West Germany.

According to the Secretariat's forecasts, Japan will have a growth rate of no more than 5 per cent this year and a current account surplus of \$6bn.

U.S. officials indicated that domestic pressure to reduce the U.S. current account shortfall, expected by the OECD Secretariat to be as much as a third of the OECD area's total of \$29bn. this year, would become difficult to resist by the Carter administration, in the absence of parallel efforts by Japan and West Germany.

KGB probe journalist's contacts

Mr. Robert C. Toth, the Los Angeles Times correspondent in Moscow, returned yesterday for his second day of interrogation at the Leningrad KGB investigative prison, where he has been since his contacts with jailed Jewish dissident, Anatoly Shcharanski, David Satter writes from Moscow.

Mr. Toth said after a 31-hour session that he was being questioned about his contacts with Mr. Shcharanski, a computer programmer who is the subject of a treason investigation. He was told that he has not been accused of a crime, but is considered a witness. Mr. Toth was asked about an article he wrote last year for the Los Angeles Times on the work places of Jews who had been refused permits to emigrate because of their "knowledge of State secrets."

At court-martial proceedings in Leningrad the retired Soviet army Brigadier M. Jean-Louis Jourd'heuil confirmed an earlier admission that he gave the confidential and secret documents to Yassly Denisenko, the former Soviet military attaché in Bern, John Wick writes from Zurich.

EEC titanium rules

A tentative compromise has been worked out by EEC environment ministers, aimed at ending the protracted disputes over what kind of measures should be taken to prevent water pollution caused by the discharge of titanium dioxide, Guy de Jonquieres writes from Brussels. Each EEC government will draw up a ten-year anti-pollution programme over the next three years. These will then be submitted to the EEC Commission, which will prepare harmonised rules.

Low Italy price rise

Italian retail prices rose by 1.3 per cent last month, the second lowest since this year. This, when coupled with a rise in wholesale prices in April, indicates that qualified official optimism of a generally downward trend in inflation may be justified. Donnick J. Coggie writes from Rome.

U.S. warns rest of OECD on payments

U.S. officials indicated that domestic pressure to reduce the U.S. current account shortfall, expected by the OECD Secretariat to be as much as a third of the OECD area's total of \$29bn. this year, would become difficult to resist by the Carter administration, in the absence of parallel efforts by Japan and West Germany.

According to the Secretariat's forecasts, Japan will have a growth rate of no more than 5 per cent this year and a current account surplus of \$6bn.

U.S. officials indicated that domestic pressure to reduce the U.S. current account shortfall, expected by the OECD Secretariat to be as much as a third of the OECD area's total of \$29bn. this year, would become difficult to resist by the Carter administration, in the absence of parallel efforts by Japan and West Germany.

According to the Secretariat's forecasts, Japan will have a growth rate of no more than 5 per cent this year and a current account surplus of \$6bn.

U.S. officials indicated that domestic pressure to reduce the U.S. current account shortfall, expected by the OECD Secretariat to be as much as a third of the OECD area's total of \$29bn. this year, would become difficult to resist by the Carter administration, in the absence of parallel efforts by Japan and West Germany.

According to the Secretariat's forecasts, Japan will have a growth rate of no more than 5 per cent this year and a current account surplus of \$6bn.

U.S. officials indicated that domestic pressure to reduce the U.S. current account shortfall, expected by the OECD Secretariat to be as much as a third of the OECD area's total of \$29bn. this year, would become difficult to resist by the Carter administration, in the absence of parallel efforts by Japan and West Germany.

According to the Secretariat's forecasts, Japan will have a growth rate of no more than 5 per cent this year and a current account surplus of \$6bn.

U.S. officials indicated that domestic pressure to reduce the U.S. current account shortfall, expected by the OECD Secretariat to be as much as a third of the OECD area's total of \$29bn. this year, would become difficult to resist by the Carter administration, in the absence of parallel efforts by Japan and West Germany.

According to the Secretariat's forecasts, Japan will have a growth rate of no more than 5 per cent this year and a current account surplus of \$6bn.

U.S. officials indicated that domestic pressure to reduce the U.S. current account shortfall, expected by the OECD Secretariat to be as much as a third of the OECD area's total of \$29bn. this year, would become difficult to resist by the Carter administration, in the absence of parallel efforts by Japan and West Germany.

According to the Secretariat's forecasts, Japan will have a growth rate of no more than 5 per cent this year and a current account surplus of \$6bn.

U.S. officials indicated that domestic pressure to reduce the U.S. current account shortfall, expected by the OECD Secretariat to be as much as a third of the OECD area's total of \$29bn. this year, would become difficult to resist by the Carter administration, in the absence of parallel efforts by Japan and West Germany.

According to the Secretariat's forecasts, Japan will have a growth rate of no more than 5 per cent this year and a current account surplus of \$6bn.

U.S. officials indicated that domestic pressure to reduce the U.S. current account shortfall, expected by the OECD Secretariat to be as much as a third of the OECD area's total of \$29bn. this year, would become difficult to resist by the Carter administration, in the absence of parallel efforts by Japan and West Germany.

IFO predicts investment rise

BY JONATHAN CARR

BONN, June 15.

WEST GERMAN industrial investment is likely to increase this year by about 4 per cent, in real terms, against a rise of only 2 per cent last year.

This is the conclusion of the latest investment test taken by the IFO economic institute of Munich, and released to-day. The test is viewed as authoritative since it covers the plans of about 4,000 enterprises responsible for more than half the country's total industrial investment.

The latest test, carried out in March and April, indicates a slight increase in planned investment, against the figure revealed by the previous such poll taken last Autumn. Then Germany was approaching the end of a year during which GNP rose by 5.6 per cent, industrial investment was increasing in real terms for the first time since 1970, and profitability had improved after several poor years.

IFO notes that, had business expectations continued to improve after the end of the year, planned investment would now be yet higher. But since Autumn, demand has weakened and, in the first quarter of this year, the business climate has clearly deteriorated. Use of capacity in April, seasonally adjusted, was a little below the level at the start of the year.

Furthermore, the breakdown of the investment aims of enterprises is further bad news for those who hope that an increase

here will substantially bring down the number of jobs, now tentatively less than 1m. The single most important investment aim, named by 44 per cent of those polled, remains capital goods sector will rationalisation. Only about one-quarter are investing to expand their plants. This trend was evident last year too. But, whereas the consumer goods industry was the key investor, this year 40 per cent of those polled, especially active too.

here will substantially bring down the number of jobs, now tentatively less than 1m. The single most important investment aim, named by 44 per cent of those polled, remains capital goods sector will rationalisation. Only about one-quarter are investing to expand their plants. This trend was evident last year too. But, whereas the consumer goods industry was the key investor, this year 40 per cent of those polled, especially active too.

here will substantially bring down the number of jobs, now tentatively less than 1m. The single most important investment aim, named by 44 per cent of those polled, remains capital goods sector will rationalisation. Only about one-quarter are investing to expand their plants. This trend was evident last year too. But, whereas the consumer goods industry was the key investor, this year 40 per cent of those polled, especially active too.

here will substantially bring down the number of jobs, now tentatively less than 1m. The single most important investment aim, named by 44 per cent of those polled, remains capital goods sector will rationalisation. Only about one-quarter are investing to expand their plants. This trend was evident last year too. But, whereas the consumer goods industry was the key investor, this year 40 per cent of those polled, especially active too.

here will substantially bring down the number of jobs, now tentatively less than 1m. The single most important investment aim, named by 44 per cent of those polled, remains capital goods sector will rationalisation. Only about one-quarter are investing to expand their plants. This trend was evident last year too. But, whereas the consumer goods industry was the key investor, this year 40 per cent of those polled, especially active too.

here will substantially bring down the number of jobs, now tentatively less than 1m. The single most important investment aim, named by 44 per cent of those polled, remains capital goods sector will rationalisation. Only about one-quarter are investing to expand their plants. This trend was evident last year too. But, whereas the consumer goods industry was the key investor, this year 40 per cent of those polled, especially active too.

here will substantially bring down the number of jobs, now tentatively less than 1m. The single most important investment aim, named by 44 per cent of those polled, remains capital goods sector will rationalisation. Only about one-quarter are investing to expand their plants. This trend was evident last year too. But, whereas the consumer goods industry was the key investor, this year 40 per cent of those polled, especially active too.

here will substantially bring down the number of jobs, now tentatively less than 1m. The single most important investment aim, named by 44 per cent of those polled, remains capital goods sector will rationalisation. Only about one-quarter are investing to expand their plants. This trend was evident last year too. But, whereas the consumer goods industry was the key investor, this year 40 per cent of those polled, especially active too.

here will substantially bring down the number of jobs, now tentatively less than 1m. The single most important investment aim, named by 44 per cent of those polled, remains capital goods sector will rationalisation. Only about one-quarter are investing to expand their plants. This trend was evident last year too. But, whereas the consumer goods industry was the key investor, this year 40 per cent of those polled, especially active too.

here will substantially bring down the number of jobs, now tentatively less than 1m. The single most important investment aim, named by 44 per cent of those polled, remains capital goods sector will rationalisation. Only about one-quarter are investing to expand their plants. This trend was evident last year too. But, whereas the consumer goods industry was the key investor, this year 40 per cent of those polled, especially active too.

here will substantially bring down the number of jobs, now tentatively less than 1m. The single most important investment aim, named by 44 per cent of those polled, remains capital goods sector will rationalisation. Only about one-quarter are investing to expand their plants. This trend was evident last year too. But, whereas the consumer goods industry was the key investor, this year 40 per cent of those polled, especially active too.

here will substantially bring down the number of jobs, now tentatively less than 1m. The single most important investment aim, named by 44 per cent of those polled, remains capital goods sector will rationalisation. Only about one-quarter are investing to expand their plants. This trend was evident last year too. But, whereas the consumer goods industry was the key investor, this year 40 per cent of those polled, especially active too.

here will substantially bring down the number of jobs, now tentatively less than 1m. The single most important investment

draft article

Debts of Mexico and Chile cause mounting concern

BY FRANCIS GHILIS AND HUGH O'SHAUGHNESSY

MEXICO and Chile are among a number of Latin American countries facing mounting difficulties with their debts to foreign commercial banks. The situation of both borrowers is being closely watched by lenders and the possibility of major renegotiations is being debated in banking circles.

Details of the heavy commitments of Latin American countries have emerged in the wake of the failure of the Conference on International Economic Co-operation, which has just closed in Paris, to reach agreement on ways to alleviate the debt burden of the developing countries.

Mexico has to repay to U.S. commercial banks alone more this year than it had on deposit with all foreign commercial banks in Group of Ten countries at the end of last year. These deposits amounted to \$4.4bn, while loans due for repayment in 1977 were approximately \$5bn.

Loans contracted by Chile with foreign commercial banks are very much lower; Chile's net borrowing position with such banks being \$0.4bn. However the Chileans face the problem that they have to repay 30 per cent of the amounts outstanding to U.K.-based banks and 70 per cent of loans outstanding to U.S.-based commercial banks during this year.

Brazil, the size of whose debt has recently been singled out for special comment, is paradoxically in a better relative position in that its obligations mature over a longer period. For instance, only 22.5 per cent

of obligations to U.K.-based banks due this year. Argentina's obligations to foreign commercial banks, net of its deposits with them, emerges as \$300m, slightly less than those of Chile. Argentina, however, had to meet just over half of these obligations in the course of this year.

Although Mexico seems to be facing the gravest short-term problems, bankers take comfort from the fact that large new oilfields have been discovered and should be producing crude in quantities comparable to those of Venezuela in the next few years. Mexico has the advantage over Venezuela of a common frontier with the U.S., a heavy energy importer.

In the case of Chile, the fact that so much debt is maturing this year is behind the drive being undertaken in the major financial centres to attract new foreign interest and loans. Sr. Sergio de Castro, the Chilean Economy Minister, is expected in London later this month.

Much of present Chilean borrowings are in the form of self-liquidating trade credit, but Chile owes a great deal of money to the World Bank and the International Monetary Fund, so that its overall debt situation is quite as serious as suggested by reference to its borrowings from commercial banks alone.

The position of Argentina is ameliorated by the fact that it has a strong and productive economy which was able to convert a trade deficit of \$1bn into a surplus of a similar amount in 1976, principally through increased export earnings from cereals and meat.

Hugh O'Shaughnessy examines the reviving controversy over the tiny Central American territory of Belize

Guarantees against the Guatemalan Goliath

THE BELIZE question is being his own diplomatic campaign to delineated the boundaries of Belize and committed Britain to building a road from Belize City to Guatemala City.

That road was never built and the ECO does not seem averse to the idea that Britain could right the balance by undertaking some useful capital project. Belize has had the pleasure of seeing the overbearing majority of the members of the UN vote in favour of Belize, he enjoys total moral support from the countries of the Commonwealth Caribbean, Central American isthmus, has a population of about 130,000. Currently it is a British colony, but it is seeking full independence, which Britain is willing, indeed anxious, to give.

The big obstacle to independence is that its territory is claimed by Guatemala, its neighbour to the west, on historical grounds connected with the old Spanish empire. Guatemala's population tops 6m; its forces are strong and well equipped. Belize has virtually no indigenous forces and is currently defended by Britain which has so far refused a defence guarantee to an independent Belize.

Belize's Premier, Mr. George Price, does not want independence without some sort of military guarantee against what he with justification sees as a very real threat from Guatemala, and its right-wing military government under General Kjell Eugenio Laugerud.

Guatemala will not give up its claim and thus at present there is a deadlock, despite efforts by all the interested parties to resolve it in their own interests. The deadlock has not however prevented Mr. Price, with distinguished British backing, mounting

the boundaries of Belize and committed Britain to building a road from Belize City to Guatemala City. The big diplomatic gains that the British and Belizean governments have made by their mixture of firmness, sweet reasonableness and appeal to the world's anti-colonialist sentiments in favour of a small, already very conservative

the light of the increasing solidarity being shown towards Belize at the Commonwealth Conference in London, and with an eye on the reaction of the Organisation of American States which commenced in Grenada on Tuesday, Guatemala accused Britain and Belize of fomenting strikes and other disturbances in Guatemala's rights to Belize. A majority of Guatemala's impoverished Mayan peasant populations are probably unaware of the existence of the question at all while some on the Left, notably the EGP or clandestine Guerilla Army of the Poor, support Belizean rights to self-determination.

Many figures in Guatemala's army see the takeover of Belize as a chance to gain the sort of honours which they cannot trace their roots back to the struggle against Spain, have eluded them.

Whitehall has tried to come to some agreement with the Guatemalans which would allow them to bury the Belize question without loss of face and rescind those parts of the Guatemalan constitution which declare Belize to be an integral part of Guatemala.

One point on which Whitehall has attempted to be accommodating is that of the Anglo-Guatemalan treaty of 1869 which supports the idea. "What is needed," said Mr. Price yesterday, "is a 20th century equivalent of that road, for example, a pipeline, irrigation project or hydro-electric plant which would be useful to Guatemala."

Guatemala has recently found oil, expects to find more and will soon need a pipeline from the struggling and underpopulated developing territory have seriously worried the Guatemalan government, which is already embroiled in the intricacies of the run-up to a general election in February.

An extreme group, the MLN or Movement of National Liberation, well to the right of the

the light of the increasing solidarity being shown towards Belize at the Commonwealth Conference in London, and with an eye on the reaction of the Organisation of American States which commenced in Grenada on Tuesday, Guatemala accused Britain and Belize of fomenting strikes and other disturbances in Guatemala's rights to Belize. A majority of Guatemala's impoverished Mayan peasant populations are probably unaware of the existence of the question at all while some on the Left, notably the EGP or clandestine Guerilla Army of the Poor, support Belizean rights to self-determination.

Many figures in Guatemala's army see the takeover of Belize as a chance to gain the sort of honours which they cannot trace their roots back to the struggle against Spain, have eluded them.

Whitehall has tried to come to some agreement with the Guatemalans which would allow them to bury the Belize question without loss of face and rescind those parts of the Guatemalan constitution which declare Belize to be an integral part of Guatemala.

One point on which Whitehall has attempted to be accommodating is that of the Anglo-Guatemalan treaty of 1869 which supports the idea. "What is needed," said Mr. Price yesterday, "is a 20th century equivalent of that road, for example, a pipeline, irrigation project or hydro-electric plant which would be useful to Guatemala."

Guatemala has recently found oil, expects to find more and will soon need a pipeline from the struggling and underpopulated developing territory have seriously worried the Guatemalan government, which is already embroiled in the intricacies of the run-up to a general election in February.

An extreme group, the MLN or Movement of National Liberation, well to the right of the



Many in Guatemala's army see the takeover of Belize as a chance to gain the sort of honours which they cannot trace their roots back to the struggle against Spain, have eluded them.

BORROWING FROM COMMERCIAL BANKS (end-1976 \$bn.)				
	Argentina	Brazil	Chile	Mexico
ALL BANKS*				
Borrowing	3.4	21.2	1.1	17.8
Deposits	3.1	6.8	0.7	4.4
Net borrowing	0.3	14.4	0.4	2.4
LOANS BOOKED WITH U.S. BANKS	1.8	10.4	0.6	10.7
As % of all borrowing	52.9	49.1	54.5	60.1
Maturity distribution % of total				
(a) maturing in 1977	57.0	35.0	70.0	47.0
(b) maturing in 1978/9	13.7	15.5	15.3	12.5
(c) maturing 1979 onwards	29.7	49.1	14.7	40.1
LOANS BOOKED IN U.K. % due in 1977	51.2	22.5	80.9	41.2

Senate foreign aid curb

BY JUREK MARTIN WASHINGTON, June 15.

THE U.S. Senate has passed a \$5.2bn, Foreign Aid Bill that, in essence, provides the World Bank and other international development agencies with all the funds they had been hoping for, but which nonetheless contains provisions which, if retained by later Congressional action, place some restrictions on lending policies.

These potential curbs came in the form of a series of amendments to the Bill. The most significant were sponsored by Senator Dole and Senator Schweiker, both Republicans.

The Dole amendment would require U.S. directors of agencies like the World Bank automatically to oppose any loans to Cuba, Vietnam, Laos or Cambodia because of human rights violations in those countries. Should aid institutions nevertheless extend loans to these countries over U.S. objections, the U.S. would deduct its share of these loans from its next contribution to these agencies.

Both Vietnam and Laos are members of the World Bank. Cambodia is a nominal member, though inactive, while Cuba is not. Earlier this year, a World Bank team visited Vietnam with a view to preparing a report that would lead to World Bank assistance. The report has not yet been completed.

The Schweiker amendment would limit U.S. contributions in the future to any lending agency to a ceiling of 25 per cent of the institution's total. Theoretically, this could jeopardise U.S. funding of the World Bank's soft loan arm, the International Development Association (IDA). The U.S. share of the fifth IDA replenishment, for

example, amounts to more than 30 per cent. However, a Bank spokesman pointed out to-day that if U.S. contributions to the latest bank capital increase and to IDA are lumped together, then the U.S. participation is under the 25 per cent ceiling.

It is entirely possible that both the Dole and Schweiker amendments will not survive the conference committee, which has to convene to iron out the differences in the legislation passed by both House and Senate.

This committee will also have to address itself more specifically to differing proposals on human rights: the Senate last night voted down a proposal that would have obliged U.S. representatives to vote against aid to any country found to have committed gross human rights violations. The House Bill contains such a provision and the Carter Administration is opposed to it.

The Bank's view is that it is gratified to have seen Congress approve funding for international aid without the traumas typically experienced in recent years. Moreover it also feels that none of the provisions making aid conditional are of a magnitude that cannot be lived with.

It also has a personal reason not to be gratified. The Senate did not, as it might have given recent criticisms in Washington of the salaries paid to bank employees, seek to tie bank pay to U.S. civil service salary scales. Instead it adopted a motion of elegant wisdom that merely observed that bank pay should be comparable with that earned in both the U.S. private and public sectors.

Energy clash less likely

BY OUR OWN CORRESPONDENT WASHINGTON, June 15.

PRESIDENT CARTER'S chances of avoiding an unpleasant confrontation with Congress over energy policy and federal spending look better this morning following a number of Congressional votes late yesterday.

This is a relationship which seems to change from day to day and there remain a number of issues on which the executive and legislative branches could still lock horns. These include a Farm Price Support Bill more expensive than the President would like and a Health, Education and Welfare Bill that Mr. Carter considers equally propitious.

One of his Congressional victories late yesterday was in fact a defeat. The House of Representatives passed by 214 votes to 194 a measure preserving 17 water development projects that the President wants dropped.

But the margin was close—much narrower than even the Administration expected—and the undignified message transmitted to Capitol Hill is that Mr. Carter vetoes a Bill contain-

ing these projects—as he has threatened to do—the House cannot muster the two-thirds majority needed to override a veto.

This measure is to be taken up to-day by a Senate Appropriations Subcommittee, whose chairman, Mr. John Stennis, of Mississippi, is working on a compromise much weaker than the Bill which passed the House, and designed to meet at least some of President Carter's objections.

The second vote, on the House Ways and Means Committee, was in favour of the President's proposal to bring the price of U.S. oil up to world levels through higher taxes by 1981.

Buoyed by these two apparent victories after a series of defeats in Congress, Mr. Carter met a group of Democratic senators in the White House for two hours this morning, and could only have been gratified when several of them emerged from the session proclaiming that his relations with Congress were not bad at all.

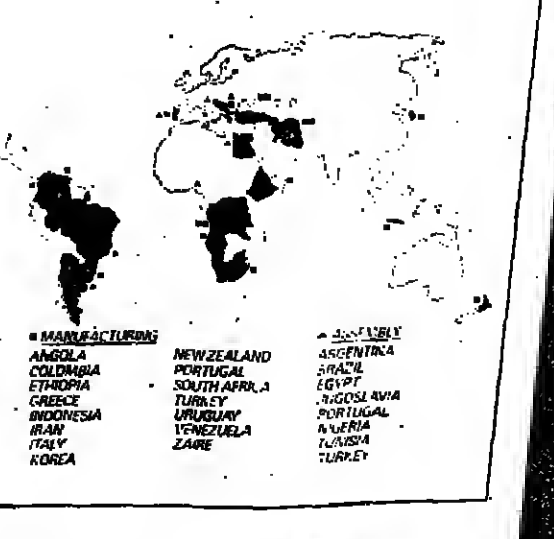
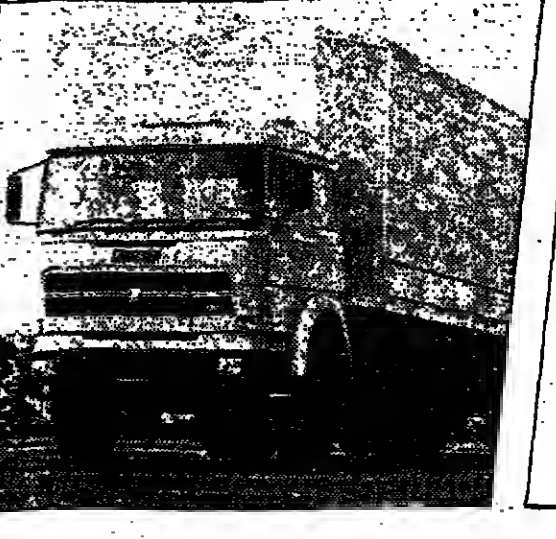
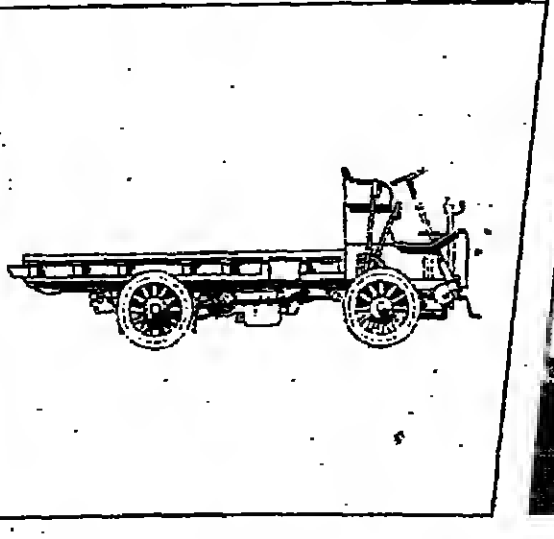


AROUND THE WORLD IN 80 YEARS.

Fiat was founded in 1899, and the first Fiat truck (the 24HP below) was built in 1904. An enthusiastic reporter wrote at the time: "The high snow covered peaks of the Maritime Alps saw their foothills driven over with ease by a petrol driven truck and neither the steep slopes nor the sharp bends were able to stop the regular beat of the engine."

This was the first of a family of Fiat Commercial Vehicles which today are manufactured, assembled and sold all over the world in countries as far apart as Argentina and Egypt, Norway and Zaire. The new Fiat 170 (below) is the fastest heavy haulage vehicle ever produced by Fiat, and in many ways it symbolises eight decades of

truck engineering expertise and achievement. Famous for technological innovation and research into special transport problems, Fiat are now part of the Iveco group of companies, offering the resources of over 3,000 sales and service dealerships in more than 112 countries throughout the world.



Better trucks make better business.

FIAT
Fiat Commercial Vehicles Limited



OVERSEAS NEWS

Split vote detracts from big Janata wins in state polls

THE JANATA Party to-day stormed into power in elections in six northern Indian states... The Janata has won massive victories, winning more than two thirds of the seats in Rajasthan, Himachal, Haryana, Madhya Pradesh, Orissa and the Delhi Metropolitan Council.

SOWETO ONE YEAR LATER

Underlying sadness and desperation

BY QUENTIN PEEL IN JOHANNESBURG

IN A CHURCH hall in the all-white centre of Johannesburg this week, some 30 black students from Soweto were watching a film about the life and work of the late Martin Luther King...

workers when they can choose their more conservative parents. The young are thus more often jobless than their elders.



Both police and government officials insist that the students do not have widespread support within the black townships. The blame agitators and 'hothouses' for the disturbances.

Botha 'reassured' in Rhodesia

MR. IAN SMITH, the Rhodesian Prime Minister, is understood to have assured the South African Foreign Minister, Mr. P. Botha, here to-day that the Rhodesian Government is committed to a solution of the independence dispute through majority rule.

Syria 'might not recognise' Israel under peace pact

Botha also met members of the Rhodesian Cabinet for what were officially described as informal talks. There is nothing to support the view that Mr. Botha came to deliver a hard-line message to the Smith Government about its present stance on the Rhodesian talks.

Trial of W. Germans postponed in Tel Aviv

ISRAELI has postponed the trial of two West Germans and three Palestinians accused of attempting to blow up an El Al jetliner in January, 1976.

LEGAL NOTICES

IN THE HIGH COURT OF JUSTICE Chancery Division Companies Court, in the Matter of P.S. PRINTING LIMITED and in the Matter of The Companies Act, 1948.

Fraser calls for regional meetings

THE COMMONWEALTH Conference yesterday welcomed a suggestion by Mr. Malcolm Fraser, the Prime Minister of Australia, that Commonwealth Heads of Government in separate regions of the world should hold biennial meetings to discuss regional co-operation in the years between Commonwealth conferences.

Iran relaxes court martial procedures

The Iranian government proposes to make significant amendments to military court procedures that would allow greater freedom to civilian lawyers and guarantee public hearings apart from exceptional circumstances.

COMPANY NOTICES

CANADIAN PACIFIC LIMITED (Incorporated in Canada) DIVIDEND NOTICE: At a Meeting of the Board of Directors held to-day the following dividends were declared.

PLANT AND MACHINERY

PLATE LEVELLING ROLLS for immediate sale. Also available: 1000 lbs. of 1/2" thick, 12" wide, 12' long, 1/2" thick, 12" wide, 12' long.

Plan to fight Gulf pollution

EXPERTS concerned with the critical pollution of the Gulf attracted to the coastal area by development has resulted in a corresponding increase in sewage.

Malay-Thai army accord

Malaysian and Thai military commanders have managed to work out procedures to avoid misunderstandings in the conduct of future joint operations against Communist guerrillas along their common border.

PUBLIC NOTICES

METROPOLITAN BOROUGH OF SANDWELL: £1,250,000 bills issued on Wednesday 15 June 1977. METROPOLITAN BOROUGH OF WIRRAL: £1,500,000 bills issued on 15 June 1977.

Brother of Teng

The Chinese Communist Party appears to have promoted Mr. Teng Hsiao-ping, brother of Mr. Teng Hsiao-ping, one of China's most controversial figures.

ON OTHER PAGES

International Company News: Krupp hopes to end steel losses. Toyota sells shares in Europe 28/29. Farming and Raw Materials: EEC dairy policy attacked.

TWA's daily non-stop 747 to Chicago. Leaves London at 12.30, arrives 15.00. Call your travel agent or TWA. N91 across the Atlantic. TWA carries more scheduled passengers across the Atlantic than any other airline.

Shah seeks nuclear barter deal with France

By Robert Mauthner

PARIS, June 15. IRAN IS prepared to sign a barter deal with France for four additional nuclear power stations against oil, the Shah or Iran said in an interview with the French radio to-day.

The Shah said that the conclusion of the deal now depends on the French, who had yet to give their reply to Iran's proposal.

France recently signed a contract with Iran for the supply of two 900 MW power stations worth Frs.10bn. (about £1.2bn.). The power stations are being built by Framatome, the Crensof-Lovre nuclear subsidiary.

The two plants are being built at Darukin on the Karun River, about 60 miles from Kharranbar on the shores of the Gulf.

President Giscard d'Estaing said during a visit to Tehran last November that the Iranian Government was planning to buy a total of eight power stations from France.

Meanwhile, Reuters reports that Alstom-Atlantique said it is not largely responsible for the delay in building a Frs.2.5bn. hydro-electric station in Iran.

Iranian Prime Minister Amir-Hasan Bahrani told a meeting in Tehran last week that the company has delayed construction because of errors in geological soundings and may receive no further orders from Iran.

Alstom has provided only four generators for the Reza Shah plant, worth Frs.57m. in 1970, and these have been in place for over a year, the company added.

It has not carried out any preliminary geological work, but is responsible for a delay of several weeks due to a minor equipment breakdown, the spokesman said.

Alstom has provided only four generators for the Reza Shah plant, worth Frs.57m. in 1970, and these have been in place for over a year, the company added.

It has not carried out any preliminary geological work, but is responsible for a delay of several weeks due to a minor equipment breakdown, the spokesman said.

Alstom has provided only four generators for the Reza Shah plant, worth Frs.57m. in 1970, and these have been in place for over a year, the company added.

It has not carried out any preliminary geological work, but is responsible for a delay of several weeks due to a minor equipment breakdown, the spokesman said.

Alstom has provided only four generators for the Reza Shah plant, worth Frs.57m. in 1970, and these have been in place for over a year, the company added.

Fiat is tipped to build Venezuelan motor plant

By Joseph Mann

CARACAS, June 15.

FIAT HAS edged out Renault in the competition to build a four-cylinder motor plant in Venezuela and is close to signing a contract with the Government for the project, informed sources in the motor industry said to-day.

Although Fiat spokesmen both here and in Rome would not officially confirm the deal, high level sources in the Government and the motor industry said that the Italian car maker "had been mentioned" by the Government.

Under the arrangement, yet to be worked out in final detail, Fiat and private Venezuelan partners will spend at least \$80m. on a plant capable of turning out 45,000 four-cylinder engines per year.

The Government, which has the final word on approving national motor industry policy, expects the Fiat facility to produce passenger car motors with 80 per cent local content according to value, but expects that a new motor plant would work its way gradually up to the 80 per cent figure.

Fiat in 1975 produced 2,117 passenger vehicles in Venezuela and was dwarfed by the output of General Motors, Ford and Chrysler, which control over 80 per cent of motor assembly in the country.

However, the Government is seeking to transform Venezuela's motor assembly industry into a manufacturing industry where local content will reach high levels over the next ten years.

Up to now, however, progress on new investments for the industry has been stalled by what motor manufacturers see as excessively ambitious Government demands for incorporation of local content.

At the same time, it was learned to-day that the Government has officially scrapped plans for local manufacture of eight-cylinder motors. At a meeting with Development Minister Luis Alvarez Dominguez and motor industry officials, the government asked Renault, General Motors, Ford and Chrysler to submit new offers for building two plants which would produce six-cylinder engines in Venezuela.

Bids on motor plants previously submitted by the motor companies were considered void by the government, and talks will now be held directly between Fiat and private Venezuelan partners and the Government on plans for building six cylinder engines. Two companies from among the four listed above will be chosen. Renault surfaced as a new entry in the six cylinder competition, while Willy's apparently dropped out.

The companies have until July 4 to present "ideas" on how they will comply with the Government's new motor industry scheme. Motor assemblers in Venezuela, which number 16 and include American, European and Japanese concerns, lost a reported \$28m. in 1975 due to government price controls on 60 per cent of all vehicles produced.

Last year, however, the larger companies cut losses and at least one major assembler is predicting a profit for the fiscal year ending in 1976.

Under the agreement, all crude oil supplies for the Comstanta plant would be paid in U.S. dollars at official Kuwaiti prices and all crude would be transported in Kuwaiti tankers.—UPI

Against that background, the Community has been working on a solution to apparent problems where British national interest requires it, simply for fear of the fact that some anti-market forces will make something of it.

He said that in trade policy terms he had no doubt that the European Community had been of advantage to the United Kingdom. For example, it was undoubtedly of advantage that we had been able to formulate a policy in respect of the Multi-fibre Arrangement within the

context of the European Community. This also applied to Third World policy. Mr. Dell said that in trade terms, British membership of the European Community had been of advantage to the United Kingdom.

But he said there were three problem areas for the U.K., the level of European food prices, the need for free trade in services (particularly insurance) and the U.K.'s deficit with the Community in manufactured goods.

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Romania in \$1.25bn. plant deal

BEIRUT, June 15.

KUWAIT is finalising with Romania a \$1.25bn. joint-venture complex at the Black Sea port of Constanta that will serve as a model for similar Kuwaiti projects with foreign partners in the future, the Middle East Economic Survey said.

It said the project has been approved in principle by Kuwait's supreme petroleum council, but several Kuwaiti proposals must be negotiated with the Romanians before the deal is signed.

Under the agreement, all crude oil supplies for the Constanta plant would be paid in U.S. dollars at official Kuwaiti prices and all crude would be transported in Kuwaiti tankers.—UPI

Against that background, the Community has been working on a solution to apparent problems where British national interest requires it, simply for fear of the fact that some anti-market forces will make something of it.

He said that in trade policy terms he had no doubt that the European Community had been of advantage to the United Kingdom. For example, it was undoubtedly of advantage that we had been able to formulate a policy in respect of the Multi-fibre Arrangement within the

context of the European Community. This also applied to Third World policy. Mr. Dell said that in trade terms, British membership of the European Community had been of advantage to the United Kingdom.

But he said there were three problem areas for the U.K., the level of European food prices, the need for free trade in services (particularly insurance) and the U.K.'s deficit with the Community in manufactured goods.

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

EEC a trade benefit, says Dell

FINANCIAL TIMES REPORTER

MR. EDMUND DELL, Secretary of State for Trade, said yesterday that in trade policy terms, British membership of the European Community had been of advantage to the United Kingdom.

But he said there were three problem areas for the U.K., the level of European food prices, the need for free trade in services (particularly insurance) and the U.K.'s deficit with the Community in manufactured goods.

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Mr. Dell, who was speaking to the German Chamber of Industry and Commerce in London, said: "As far as I am concerned the battle for British membership of the European Community has been won. We have joined the Community, we have confirmed our membership in a referendum and our future will be formed within the European Community."

Export hopes for scanner

By Margaret Hughes

ON MONDAY Tomoscanner U.K., a subsidiary of J and P Engineering (Reading), will formally hand over the first export order for its isotope emission scanner. This first contract, placed a few months ago by a leading West German cancer institute at Essen, is valued at DM250,000 (about £82,500).

The British company now anticipates substantial overseas sales for its Tomoscanner which operates on similar principles to the EMI scanner but uses isotope gamma-ray emission instead of X-rays. The company claims to be the first to have developed such a scanner and says that it is just returned after a sales tour. Based on interest shown since the development of the new scanner was announced earlier this year, Mr. Beardon reckons that there will be demand for between 25 and 50 scanners during its first year of export selling, though he pointed out that there can be delay of anything up to 18 months before a sales enquiry is converted into an actual order.

Mr. Anthony Bernard, managing director of J and P Engineering, said yesterday that negotiations are currently under way with six hospitals in W. Germany as well as nine hospitals in Britain and three in the Irish Republic. Discussions are also taking place with medical authorities in France, Holland, Italy, Spain, Australia and Japan.

But he sees the greatest potential in West Germany and the U.S. from where he has just returned after a sales tour. Based on interest shown since the development of the new scanner was announced earlier this year, Mr. Beardon reckons that there will be demand for between 25 and 50 scanners during its first year of export selling, though he pointed out that there can be delay of anything up to 18 months before a sales enquiry is converted into an actual order.

Mr. Anthony Bernard, managing director of J and P Engineering, said yesterday that negotiations are currently under way with six hospitals in W. Germany as well as nine hospitals in Britain and three in the Irish Republic. Discussions are also taking place with medical authorities in France, Holland, Italy, Spain, Australia and Japan.

But he sees the greatest potential in West Germany and the U.S. from where he has just returned after a sales tour. Based on interest shown since the development of the new scanner was announced earlier this year, Mr. Beardon reckons that there will be demand for between 25 and 50 scanners during its first year of export selling, though he pointed out that there can be delay of anything up to 18 months before a sales enquiry is converted into an actual order.

Mr. Anthony Bernard, managing director of J and P Engineering, said yesterday that negotiations are currently under way with six hospitals in W. Germany as well as nine hospitals in Britain and three in the Irish Republic. Discussions are also taking place with medical authorities in France, Holland, Italy, Spain, Australia and Japan.

But he sees the greatest potential in West Germany and the U.S. from where he has just returned after a sales tour. Based on interest shown since the development of the new scanner was announced earlier this year, Mr. Beardon reckons that there will be demand for between 25 and 50 scanners during its first year of export selling, though he pointed out that there can be delay of anything up to 18 months before a sales enquiry is converted into an actual order.

Mr. Anthony Bernard, managing director of J and P Engineering, said yesterday that negotiations are currently under way with six hospitals in W. Germany as well as nine hospitals in Britain and three in the Irish Republic. Discussions are also taking place with medical authorities in France, Holland, Italy, Spain, Australia and Japan.

But he sees the greatest potential in West Germany and the U.S. from where he has just returned after a sales tour. Based on interest shown since the development of the new scanner was announced earlier this year, Mr. Beardon reckons that there will be demand for between 25 and 50 scanners during its first year of export selling, though he pointed out that there can be delay of anything up to 18 months before a sales enquiry is converted into an actual order.

Mr. Anthony Bernard, managing director of J and P Engineering, said yesterday that negotiations are currently under way with six hospitals in W. Germany as well as nine hospitals in Britain and three in the Irish Republic. Discussions are also taking place with medical authorities in France, Holland, Italy, Spain, Australia and Japan.

But he sees the greatest potential in West Germany and the U.S. from where he has just returned after a sales tour. Based on interest shown since the development of the new scanner was announced earlier this year, Mr. Beardon reckons that there will be demand for between 25 and 50 scanners during its first year of export selling, though he pointed out that there can be delay of anything up to 18 months before a sales enquiry is converted into an actual order.

Mr. Anthony Bernard, managing director of J and P Engineering, said yesterday that negotiations are currently under way with six hospitals in W. Germany as well as nine hospitals in Britain and three in the Irish Republic. Discussions are also taking place with medical authorities in France, Holland, Italy, Spain, Australia and Japan.

Ford talks in Greece

By our own correspondent

ATHENS, June 15.

SENIOR executives from the Ford Motor Company of the U.S. are expected here on June 21 for talks with the Greek Government on the possibility of setting up a factory in Greece.

The talks will be a follow-up to a three-day exploratory visit to Athens last August by a group of Ford executives led by Mr. E. D. Williams, the company's Middle East president.

Greece spent about \$170m. on imports of private cars last year. A Greek study has shown that only a unit producing up to 80,000 cars per year is viable and of economic value to Greece, on condition it is internationally competitive.

It is understood Ford is interested initially in establishing a car component factory in Greece. Three, one of several border areas which enjoy additional investment incentives under recently enacted laws.

The factory would manufacture automotive parts such as car bodies, cylinders and batteries, mostly for export to Europe and the Middle East.

Volkswagen of Germany is also known to have shown interest in establishing a factory in Greece to manufacture car bodies for its Polo model.

A contract between the Government and the French Renault and Peugeot companies for the establishment of a motor car assembly plant in Volos, east central Greece, was cancelled in November 1975.

The Greek State agreed to pay the French group compensation worth \$950,000 for non-execution of the terms of the contract signed in July 1971, when Greece was under military dictatorship.

Following a sharp increase in 1976, imports of knitted T-shirts from India will be subject to a quota of 610,000 pieces in the period February 1 to December 31, 1977, the Department of Trade announced yesterday.

Following a sharp increase in 1976, imports of knitted T-shirts from India will be subject to a quota of 610,000 pieces in the period February 1 to December 31, 1977, the Department of Trade announced yesterday.

Following a sharp increase in 1976, imports of knitted T-shirts from India will be subject to a quota of 610,000 pieces in the period February 1 to December 31, 1977, the Department of Trade announced yesterday.

Following a sharp increase in 1976, imports of knitted T-shirts from India will be subject to a quota of 610,000 pieces in the period February 1 to December 31, 1977, the Department of Trade announced yesterday.

Korean order

Brub Power Equipment, of Banbury, a Hawker Siddeley company, has won a £1.63m. contract to supply electrical equipment for a series of sub-stations in South Korea. It is the biggest ever received at Banbury and was placed by KECO (the Korean Electricity Company) through GEC Switchgear, Manchester.

MCA and Pioneer Electronic of Japan have signed an agreement to set up a 50-50 joint venture company here to develop and manufacture optical video disc players using laser beams, Pioneer said.

Atlantic Richfield is interested in investing in oil, natural gas, copper and uranium mining in Chile, according to Mr. Robert O. Anderson, the company president in an interview with the Santiago daily El Mercurio quoted by Inter Press Service.

Following a sharp increase in 1976, imports of knitted T-shirts from India will be subject to a quota of 610,000 pieces in the period February 1 to December 31, 1977, the Department of Trade announced yesterday.

Following a sharp increase in 1976, imports of knitted T-shirts from India will be subject to a quota of 610,000 pieces in the period February 1 to December 31, 1977, the Department of Trade announced yesterday.

Following a sharp increase in 1976, imports of knitted T-shirts from India will be subject to a quota of 610,000 pieces in the period February 1 to December 31, 1977, the Department of Trade announced yesterday.

Following a sharp increase in 1976, imports of knitted T-shirts from India will be subject to a quota of 610,000 pieces in the period February 1 to December 31, 1977, the Department of Trade announced yesterday.

Following a sharp increase in 1976, imports of knitted T-shirts from India will be subject to a quota of 610,000 pieces in the period February 1 to December 31, 1977, the Department of Trade announced yesterday.

Following a sharp increase in 1976, imports of knitted T-shirts from India will be subject to a quota of 610,000 pieces in the period February 1 to December 31, 1977, the Department of Trade announced yesterday.

Following a sharp increase in 1976, imports of knitted T-shirts from India will be subject to a quota of 610,000 pieces in the period February 1 to December 31, 1977, the Department of Trade announced yesterday.

Following a sharp increase in 1976, imports of knitted T-shirts from India will be subject to a quota of 610,000 pieces in the period February 1 to December 31, 1977, the Department of Trade announced yesterday.

Following a sharp increase in 1976, imports of knitted T-shirts from India will be subject to a quota of 610,000 pieces in the period February 1 to December 31, 1977, the Department of Trade announced yesterday.

Saipem Iranian contract

By Dominick J. Coyle

ROME, June 15.

SAIPEM, a company within the Italian ENI group, has secured a 15-month period. This latest contract follows an earlier Iranian deal for Saipem and the same consortium for the building, also at Sarakhs, of a gas processing plant at a cost of L.23bn. (£41m.).

Saipem, according to a company spokesman here to-day, has Iranian contracts in hand to an estimated value of L.230bn. (£157m.).

Saipem, according to a company spokesman here to-day, has Iranian contracts in hand to an estimated value of L.230bn. (£157m.).

Saipem, according to a company spokesman here to-day, has Iranian contracts in hand to an estimated value of L.230bn. (£157m.).

Saipem, according to a company spokesman here to-day, has Iranian contracts in hand to an estimated value of L.230bn. (£157m.).

Saipem, according to a company spokesman here to-day, has Iranian contracts in hand to an estimated value of L.230bn. (£157m.).

Saipem, according to a company spokesman here to-day, has Iranian contracts in hand to an estimated value of L.230bn. (£157m.).

Saipem, according to a company spokesman here to-day, has Iranian contracts in hand to an estimated value of L.230bn. (£157m.).

Saipem, according to a company spokesman here to-day, has Iranian contracts in hand to an estimated value of L.230bn. (£157m.).

Saipem, according to a company spokesman here to-day, has Iranian contracts in hand to an estimated value of L.230bn. (£157m.).

Saipem, according to a company spokesman here to-day, has Iranian contracts in hand to an estimated value of L.230bn. (£157m.).

Norwegian pulp expansion

By Fry Gjester

OSLO, June 15.

NORWAY'S STORTING (Parliament) has approved 25 per cent state participation in the 250,000-tonnes a year sulphate cellulose plant to be built at Tofta, on the Oslo fjord, at an estimated cost of Kr.1.1bn. (£18m.).

Work on the plant, which will replace five smaller, uneconomic factories in the area, is expected to start in the autumn, with completion scheduled for the mid-1980.

Norweco Skogindustri, which operates newsprint mills near Trondheim, will own 50 per cent of the new plant and be an important customer for its output.

The scheme, which has been under consideration for nearly four years, is one of the largest industrial projects ever approved by the Storting outside the oil sector.

The scheme, which has been under consideration for nearly four years, is one of the largest industrial projects ever approved by the Storting outside the oil sector.

The scheme, which has been under consideration for nearly four years, is one of the largest industrial projects ever approved by the Storting outside the oil sector.

The scheme, which has been under consideration for nearly four years, is one of the largest industrial projects ever approved by the Storting outside the oil sector.

The scheme, which has been under consideration for nearly four years, is one of the largest industrial projects ever approved by the Storting outside the oil sector.

The scheme, which has been under consideration for nearly four years, is one of the largest industrial projects ever approved by the Storting outside the oil sector.

The scheme, which has been under consideration for nearly four years, is one of the largest industrial projects ever approved by the Storting outside the oil sector.

The scheme, which has been under consideration for nearly four years, is one of the largest industrial projects ever approved by the Storting outside the oil sector.



In 1972, 1974 and 1976 the world saw through our eyes.

At the Montreal Olympics, the Canadian Broadcasting Corporation used 50 Bosch television cameras. Bosch cameras also filmed the Munich and Innsbruck Olympics, and the 1974 World Cup in Berlin.

In 1936, Jesse Owens became the first man to break through the 8 metre barrier in the long-jump. And his achievement was seen by several hundred Berliners who were not even in the stadium. The Olympic Games were being televised for the very first time.

And the first ever television outside broadcast unit - from Bosch - was there too. Today, the Olympics are seen by one thousand million television viewers.

The transmission of such a major series of events raises enormous organisational problems for the host country's broadcasting services. In Montreal, for example, reports went out from no fewer than 26 different sporting venues, with 700 commentary points broadcasting information all over the world.

Bosch supplied electronic colour television cameras, outside broadcast vehicles and studio and mobile recording monitoring units for the Montreal Games. Under the toughest conditions, in the open, often in pouring rain, our equipment worked without a single hitch or breakdown.

Millions of football fans will be able to see, through Bosch's eyes, the 1978 World Cup series in Argentina.

Many of the world's TV stations use Bosch equipment

In the studios of the German National Broadcasting Association and the Mainz-based Second German Television, you'll find our cameras, telecine units, monitors and video-tape recorders, vision mixers, special effects systems, electronic editors and encoding/decoding devices. This goes for many other European countries, like Scandinavia, Holland, Austria, Italy, Britain, Spain, Portugal, Switzerland; and in North and South America, Asia, Africa and Australia, too.

Even countries who do not use PAL, but the American or SECAM colour television systems, order our equipment. For international transmissions, a Bosch standards converter adapts the output signals of our cameras to suit any television system. There can't be much more convincing proof of our equipment's quality.

But what does all this mean to you? Few areas of modern technology make such exacting demands on equipment as television production. Our experience in this field benefits you

Nuclear plant 'safe from any disaster'

BY IAN BREACH IN WHITEHAVEN

THE WORST possible accident at British Nuclear Fuels' proposed spent nuclear fuel reprocessing plant at Windscale would result in only minimal damage, Lord Silsoe, QC, for the company, told the second day of the public inquiry into the State-owned group's plans at Whitehaven yesterday.



People for a mile around would be evacuated for a few days, locally produced food would be quarantined, and up to 10 cases of cancer might arise. And all that would need a chain of events against the occurrence of which the odds were one in many millions.

Lord Silsoe took his exhortation from evidence provided by Mr. John Donoghue, the company's Group Safety Assessment Officer. Lord Silsoe said that the risk of a failure of all seven independent cooling systems in the highly active storage tanks was of its happening once in 100,000 years.

Assessed
In fact, the built-in redundancy meant that three systems could fail and there still be a safe situation.

Even if all cooling systems were to fail, and the contents of the tanks could not be transferred to spare storage tanks, and gas-cleaning systems failed to handle escaping vapour from the wastes (which would hold after some hours)—a cascade of events that reduced the probability to one in many millions, the damage was assessed as being minimal.

This assessment is likely to provoke a fierce challenge from environmentalists, the company said last night that its calculated risks were far lower than any that could be adduced by those opposing the Windscale expansion.

Lord Silsoe drew extensively on energy policy documents published by the Government to show that a programme of growth in the U.K. nuclear-power industry, and hence growth in demand for reprocessing of spent oxide, was inevitable.

Quoting from a report issued last week-end by the Department of Energy, he said that "in the long term—well into the next century—new sources such as solar energy and possible nuclear fusion may transform the energy economy."

"But in the period up to and beyond 2000 most industrialised countries consider a major contribution from nuclear fission, to be unavoidable and have accordingly mounted sizeable programmes based on current reactor technology."

Referring to the expected scarcity of fossil fuels—and ultimately of uranium, Lord Silsoe said that it was unlikely that the energy demands could be met without a fast breeder reactor programme even though until the 1990s Britain could well be a net energy exporter.

For a fast breeder programme, the expansion and development of oxide fuel reprocessing would be essential.

Lord Silsoe went on to detail the company's plan to construct and run a reprocessing facility for spent oxide fuel. The facility would recover 97 per cent. of the spent fuel—amorphous uranium and plutonium for use in other reactors.

This represented a major conservation policy and would also help to minimise the country's dependence on imported energy supplies.

It would produce the energy equivalent of 35m. tonnes of coal a year.

Referring to contracts from overseas plants, he explained that it was the company's intention to return the highly radioactive waste to the customer after vitrification into solid form.

Lord Silsoe discounted the recent energy statement by President Carter as a reason why the company's application should be refused. A country determined to make a bomb could do so.

Banning the reprocessing of waste from civil power stations would not prevent such a nation. In any event, consultations with foreign governments would continue in an effort to develop the peaceful uses of nuclear power and to control the spread of weapons.

Threats of terrorist diversions and disruptions, Lord Silsoe suggested, were exaggerated. Acts of terrorism would take place with or without a nuclear industry.

During yesterday's session, the company disclosed brief details of five recent incidents at the Windscale site which have been reported to the Nuclear Installations Inspectorate of the Health and Safety Executive.

Although all the incidents were of an apparently minor nature—including the rupture of a fuel can in the U.K. Atomic Energy Agency's advanced gas-cooled reactor last Sunday—the company has decided on a policy of immediate public notification.

It felt that anything undisclosed could lead to its being accused of withholding information relevant to or affecting the outcome of the inquiry.



Mr. Freddie Laker and staff toast the Skytrain victory outside the Laker Airways building.

Skytrain conditions attacked by Laker

BY IAN HARGREAVES

THE FIRST Laker Airways Skytrain flight will leave Stensted Airport, Essex, for Kennedy Airport, New York, on September 26.

The triumphant announcement was made yesterday by Mr. Freddie Laker, the airline's chairman and managing director, at a celebration which coincided with the sixth anniversary of the first application for a licence for the low-price, no-reservations transatlantic shuttle.

Mr. Laker, speaking at a staff party at Laker's Getwick headquarters, attacked the strict conditions attached to the U.S. Civil Aeronautics Board licence for Skytrain as "the most disgraceful document that has ever been produced by any country as a form of reciprocity."

Reviewing his "battle with governments and major airlines on both sides of the Atlantic," he said that events had shown the Americans were prepared to betray the citizens' free enterprise for the sake of powerful vested interests.

The most punitive of the conditions, was a clause saying that if the British Government could not agree to agree to reciprocal low-cost scheduled services by a U.S. airline, the Laker permit would be revoked.

Mr. Laker also expressed anger about the other conditions, among which is a requirement that all Skytrain passengers must sign whether or not they have double-booked with another airline and that this information should be passed to any operator requiring it.

Skytrain also faces conditions about passenger control at Kennedy Airport and technically on trial for a one-year experimental period. Mr. Laker believes, however, that he has enough public support to prevent any revocation of his permit either at the end of his period or through other unforeseen developments.

All that remains to be done before the start of operations is to file a larik application, which Mr. Laker disclosed yesterday will be unchanged from the levels already set at £59 or \$135 single.

Although Laker accepts that this fare could be legitimately increased on the grounds of inflation and altered exchange rates, it is unwilling to risk raising further hurdles by changing the fare now.

This fare is matched only by advanced booking, charters, which have to be booked at least 60 days before. Skytrain will not take bookings until six hours before take-off.

Computer export venture wins increasing support

IT IS HOPED by the National Enterprise Board that it will be able to announce soon that three computer systems houses have agreed to cooperate with its new subsidiary, Inscac Data Systems.

This will be the signal for Inscac to start marketing British computer systems and programming abroad, mainly in the U.S.

Inscac is to receive funds of £20m. from the Enterprise Board over the next year when an initial equity of £5m. The Board hopes, however, it will be able to turn in healthy profits before very long.

The purpose of Inscac will be to develop new overseas markets for standard computer systems and subcontract, the work to software houses, which join the scheme.

Its basic premise is that British expertise in developing programs and systems is good and relatively cheap compared with what is available in the U.S.

Most of the 500 software houses in the U.K. have been operating on a consultancy basis.

Inscac intends to research new markets for "packaged systems" which can be sold many times over to customers with similar requirements. Systems used by bank computers will be one of the main examples.

The first company to join the Inscac scheme is Computer Analysts and Programmers. Two others, including Systems Programming, are expected to announce their agreement soon.

The Enterprise Board will take a stake of at least 26 per cent. in the software houses which join the scheme. In exchange, the houses will get representation on the Inscac board when it is set up.

Computer Analysts sold 30 per cent of its shares to the Enterprise Board for £550,000 in April. It is expected that about 10 companies, mostly software houses, will join the scheme.

The total turnover of the companies involved is likely to be between £40m. and £50m. This will be the aggregate turnover of the member companies, not of Inscac itself.

Inscac is expected to reach a turnover of £100m. to £150m. by 1982 (at 1982 prices). Initially, it will have to buy itself systems and equipment to establish a presence in the U.S.

Then it will use this base to develop new products and to expand into Europe and the rest of the world. It will not operate in the U.K., where individual software houses will be free to continue marketing their own products.

The Enterprise Board believes the venture will be successful because of the continuing trend for systems and programmes to take a larger part of total computer contract expenditure. Most users now have to pay about as much for this software as they do for the machines which run it.

The Board also believes that as computer applications expand, there will be an increasing market for standard software products, compared with custom designed systems.

White Paper outlines tougher laws to protect consumers

BY STUART ALEXANDER

TOUGH NEW measures which would give consumers greater legal redress against producers of defective products are contained in a White Paper published yesterday by the Law Commission and the Scottish Law Commission.

It says in its main recommendations that liability for injuries resulting from defects should rest primarily on the producer.

"The loss should lie primarily on the person who created the risk," it says. "We are convinced that particularly when a product is mass-produced, this solution makes sense as a matter of economics."

"A product may be handled by many persons on its way to the buying public, some of whom control its quality, others of whom, such as wholesalers and distributors, usually do not."

"The person best able to control the quality of the product is, almost invariably, the producer and it is to him that the liability ought accordingly to be channelled, as should the producer of a defective component when it was incorporated in another product by another manufacturer."

The White Paper comes not strongly against the EEC draft directive on liability, which it describes as inadequate, it says it could make further legislation in this area very difficult, if not impossible, and the Scottish Commission objected to the time limit within which proceedings would have to be brought.

The Law Commission, however, welcomes the so-called Strasbourg Convention as embodying all the major changes in national law that it would like to see.

The Scottish Law Commission rejects the Strasbourg Convention because it would impose liability on the producers of primary agricultural products and component parts and materials.

then by advertising—and so the public turned to the producer in the event of a fault.

The White Paper recommends that U.K. law should not put such heavy additional liabilities on British producers as to place them at an undue competitive disadvantage or inhibit technical innovation or research or, in extreme cases, cause manufacturers to cease production in the U.K.

Under the proposals an injured person's claim against the producer of a defective product would not depend on proof of a lack of reasonable care on the producer's part.

However, the two commissions did not agree on their attitudes towards primary agricultural products and towards component parts of materials such as television tubes or brake linings.

The Law Commission recommended that liability should still fall strictly on the producers but the Scottish Law Commission felt producers of primary agricultural products such as fish should be exempted, as should the producer of a defective component when it was incorporated in another product by another manufacturer.

The White Paper comes not strongly against the EEC draft directive on liability, which it describes as inadequate, it says it could make further legislation in this area very difficult, if not impossible, and the Scottish Commission objected to the time limit within which proceedings would have to be brought.

The Law Commission, however, welcomes the so-called Strasbourg Convention as embodying all the major changes in national law that it would like to see.

The Scottish Law Commission rejects the Strasbourg Convention because it would impose liability on the producers of primary agricultural products and component parts and materials.

Material sales may rise says building study

Financial Times Reporter

A MODEST upturn in material sales in the construction industry is being forecast by the builders' merchants.

A survey by the National Federation of Builders' and Plumbers' Merchants shows that in the six months in September, a third of the merchants questioned said they expected sales to rise while another third anticipated that they would remain the same.

to the year ending next March, about 35 per cent. of the industry expected sales volume to rise while another 32 per cent. expected it to remain the same.

The South East is the most optimistic region, with 40 per cent. of merchants polled expecting a rise in sales. Merchants in the Midlands are least happy. Nearly half expect sales to fall in the months ahead.

Talks on Anglo-U.S. air agreement reach crucial stage

FORMAL TALKS on the renegotiation of the 30-year-old Anglo-U.S. air services agreement resume in London today after a two-day interruption.

With just five days left to the expiry of the so-called Bermuda agreement, both sides regard today's meeting as crucial.

Neither delegation expects the talks to end much before Tuesday. The schemes on either side really expect an impasse leading to the cancellation of air services between Britain and the U.S.

The main development since Monday, when the British team reacted with shock and outright resistance to an American summary of basic points, has been the U.S. delegation's agreement to re-write this document.

The U.K. team hopes that this re-draft will make substantial concessions towards the British position on capacity end routes across the Atlantic. However, the Americans are viewing the operation as primarily a need to alter presentation.

Whitehall's view is that Monday's tough line emanated directly from Washington and that it was an almost 11th hour attempt to stardle the British into major new concessions.

There were private representations from the British Embassy in Washington yesterday over the issue to Chancellor's chances of winning landing rights in New York incurred as a result of Tuesday's U.S. Federal Appeal Court ruling.

Health Service office staffs on the increase

THE NUMBER of office workers recruited by the National Health Service between 1969 and 1974 rose twice as quickly as the number of doctors and nurses. This is disclosed in a survey published by the Office of Health Economics.

It said staff numbers doubled between 1949 and 1974. The most marked rise was among administrative and clerical grades, whose numbers multiplied three times. There now remains a 12 per cent. deficit in the total Health Service staff.

In the five years between 1969 and 1974 the number of administrators and clerks rose by over 40 per cent., as compared with 20 per cent. for hospital doctors and nurses.

The number of ancillary staff such as porters and cleaners, increased by only 5 per cent. in the same period, and fell in England and Wales between 1972 and 1974.

Despite concern about health cuts, spending rose to more than £5,900m. in 1976.

"This indicates that significant real growth in health service expenditure continued last year although at a slower rate than in the 1960s and the earlier years of the 1970s," says the report.

Bank in S. Africa row

BY MICHAEL BLANDEN

CRITICISM OF British banks involved in arranging finance for southern Africa is being taken a stage further with an attack on Hill Samuel, the merchant bank.

The End Loans to Southern Africa group, which has been active in opposing involvement by banks including the Midland is circulating about 60 Hill Samuel shareholders describing the bank's involvement.

The shareholders, including Churches, local authorities, universities and pension funds, are being asked to condemn the involvement by writing to the bank's chairman and attending the annual general meeting on July 12.

The opponents maintain that Hill Samuel has become the major Western bank involved in arranging Eurocurrency loans to the South African Government and its corporations.

The move comes in the same week as the World Council of Churches published "the WCC and Bank Loans to Apartheid," describing efforts to persuade European-American Banking Corporation and its six member banks to end loans to the South African Government.

Exodus of divers threatens N. Sea progress

By Ray Darter, Energy Correspondent

NORTH SEA oil operators are facing an exodus of experienced divers which threatens the speed of exploration and development.

One of the main diving contractors has told the Government that it has lost 114 of its divers, over 40 per cent. of its operational staff.

Representatives of the Onshore Diving Contractors who meet in London with the Minister of State for Energy, outlined the growing exodus among over 1,000 divers at a recent change in their status.

The situation in the North Sea could become so serious that it could start a major confrontation between the Energy Department—responsible for pushing along offshore development—and the Inland Revenue.

It is understood that the Energy Department has written to the Treasury and the Inland Revenue about the consequences of changing the status of man divers from self-employed company employees liable to PAYE taxation.

Mr. Anthony Wedgwood Benn, Energy Secretary, has just received a telegram from Mr. John Houlder, chairman of Comex Diving, one of the major diving companies in the North Sea.

Gross salary
Mr. Houlder said that since the introduction of PAYE for divers in April, the company had lost 114 out of its 280 divers. Most of those lost had been among the most experienced men—26 were known to have found work overseas while most of the others had looked for work which did not involve deep saturation diving.

One of the divers had found that from his monthly gross salary of £3,500, some £2,700 had been deducted in tax.

Other diving contractors were facing similar problems. Oil companies were being warned that some diving contracts might have to be dropped or amended, said Mr. Houlder.

Up to now many of the North Sea divers have been classed as self-employed. They earn salaries of over £20,000 in some cases, but are liable to the high risks and their short working lives as divers.

The tax change results from the 1973 Finance Act which extended U.K. tax laws to the Continental Shelf.

The Inland Revenue said yesterday that it was merely applying the tax laws whereby employed divers—those employed on a contract of service—were liable to normal PAYE.

£10m. plan to provide 700 jobs

AN INVESTMENT programme that would provide 700 jobs in the new town of Glenrothes, was announced yesterday by Mr. Gregor Mackenzie, Minister of State at the Scottish Office.

Mr. Mackenzie described the £10m. investment by Aberglow Holdings of Aberdeen, as a shot in the arm for the economy of the east of Scotland.

Aberglow operates Glenrothes Glasshouse and the Five Boat Centre in the Five new town, will accommodate its new investment projects in an orbital structure not previously used on a British industrial estate.

Similar structures—large hemispherical buildings capable of rapid on-site construction—will be manufactured for export markets in one of the company's buildings.

Computing systems. It's results that count.

You're interested in results—not a philosophical debate about owning a computer or using a computer service. You want cost effective computing with a minimum of teething problems and headaches.

We would like to make sure that you get just that. CSA Member Companies are part of a professional Computing Service Industry and cover all aspects of consulting, software, processing and recruitment services, supply and development.

Make sure that your company gets the best, most cost effective results. Write or telephone now for a free set of CSA Briefing Notes. A Directory describing Member's services is also available.

Contact: Diana Kirby, Computing Services Association, Craven House, 121 Kingsway, London WC2B 6PG. Telephone: 01-405 21742.

Food group fights EEC scheme

Financial Times Reporter

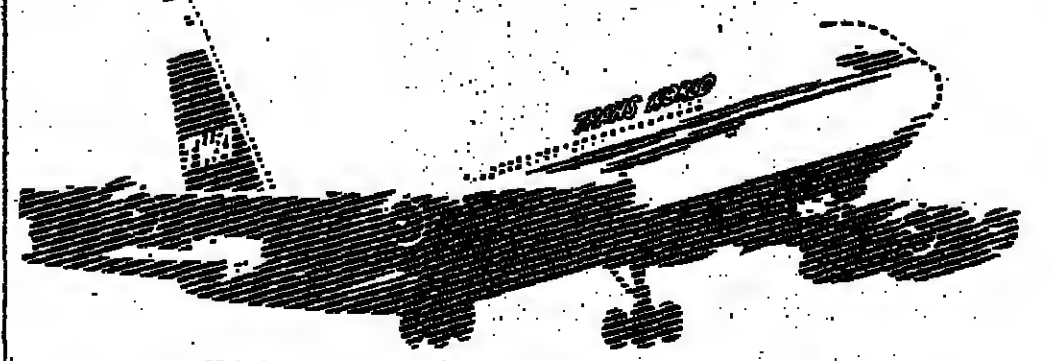
A DELEGATION from the Food Manufacturers' Federation yesterday urged the Government to continue its opposition to an EEC draft regulation on exclusive use of which would mean that names of foods which implied a dairy content where there was none would either have to be changed or the products changed.

Led by Mr. C. E. Coffin, the director-general, it told Dr. Gavin Strang, Parliamentary Secretary at the Ministry of Agriculture, Fisheries and Food, that it was wrong in principle to attempt to solve problems in the dairy sector by disturbing the pattern of food processing.

This would be generally to the consumers' disadvantage and the aim of the proposals, to increase the use of dairy products, was unlikely to be achieved.

New from TWA: A daily non-stop to San Francisco.

A daily service, via the Polar route, leaves London 11.30. Arrives in San Francisco 14.40. Call your travel agent or TWA.

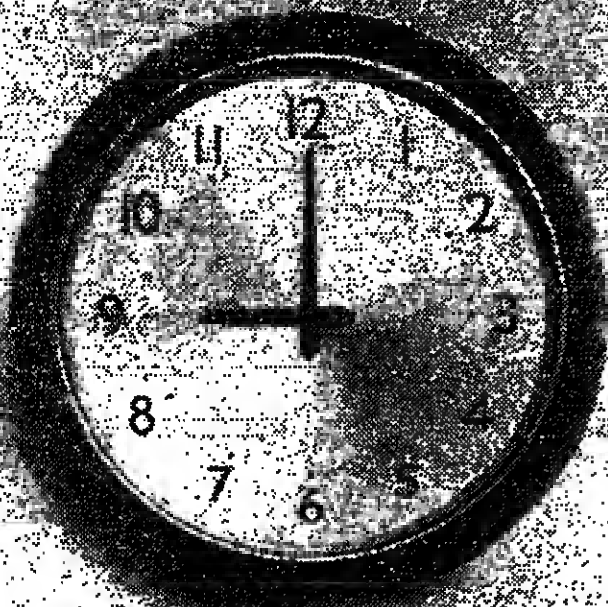


№1 across the Atlantic TWA carries more scheduled passengers across the Atlantic than any other airline.

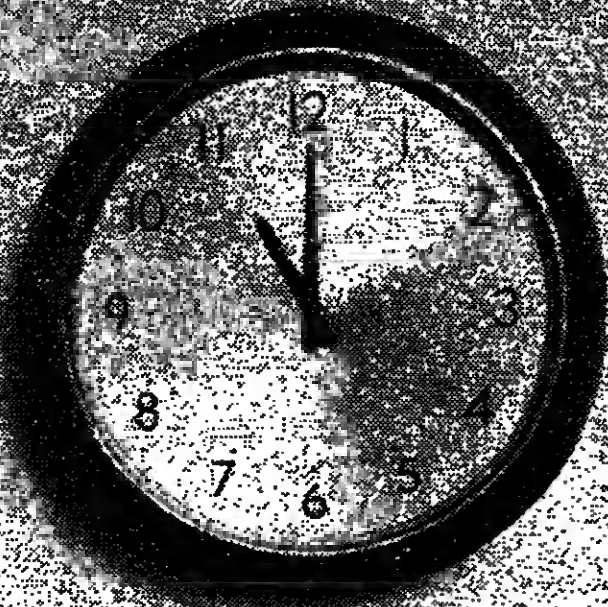
Handwritten text: كذا كذا كذا

The staff of NatWest International work round the clock.

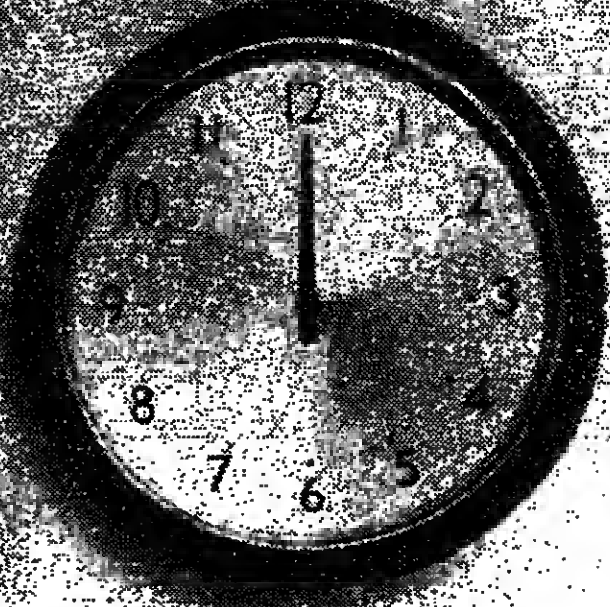
دواماً على مدار الساعة



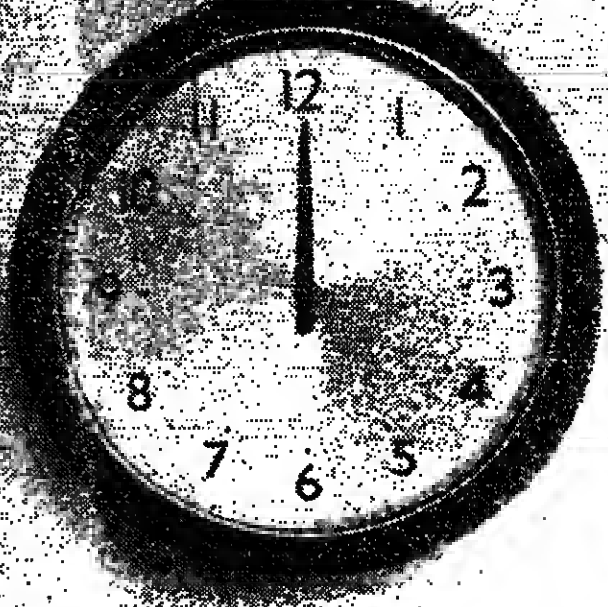
NatWest San Francisco.



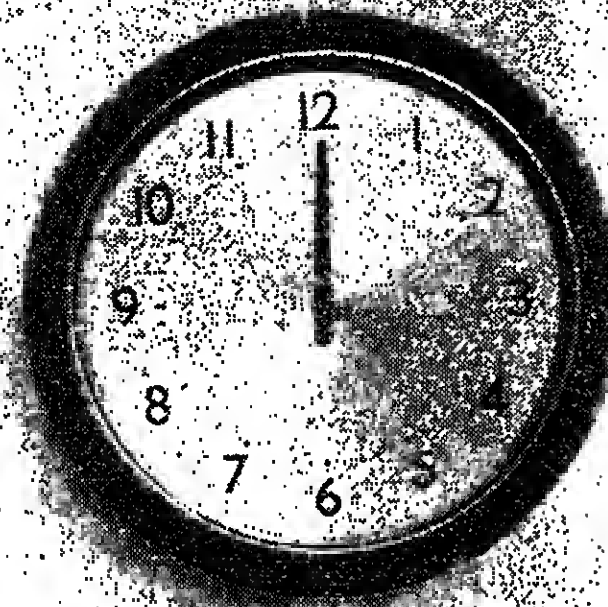
NatWest Chicago.



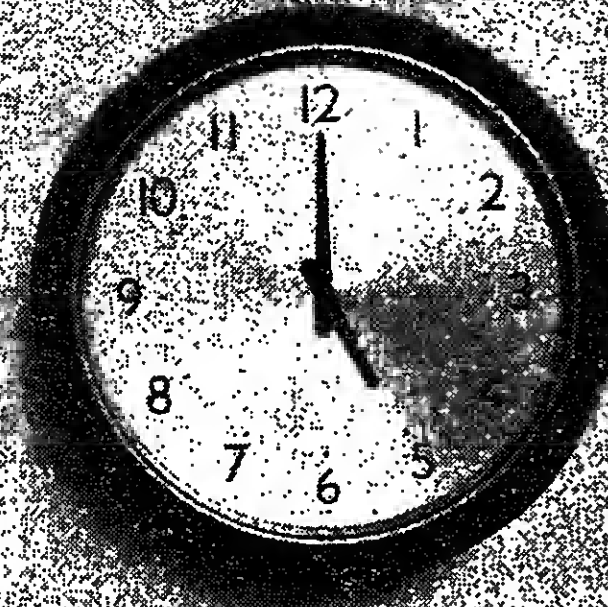
NatWest Nassau.



NatWest Toronto.



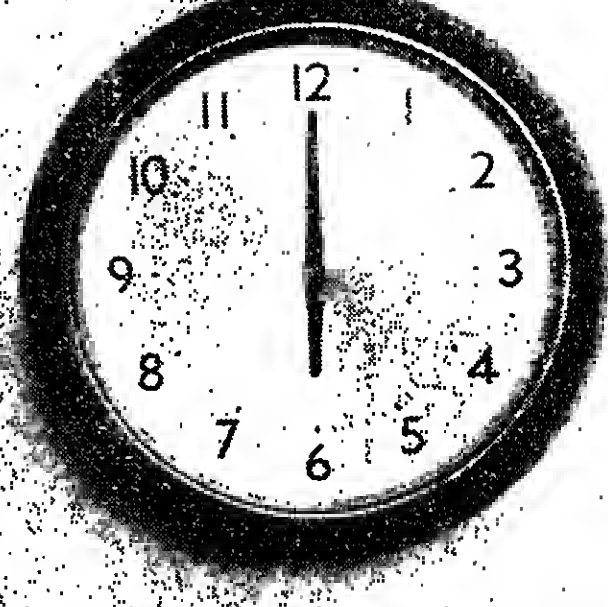
NatWest New York.



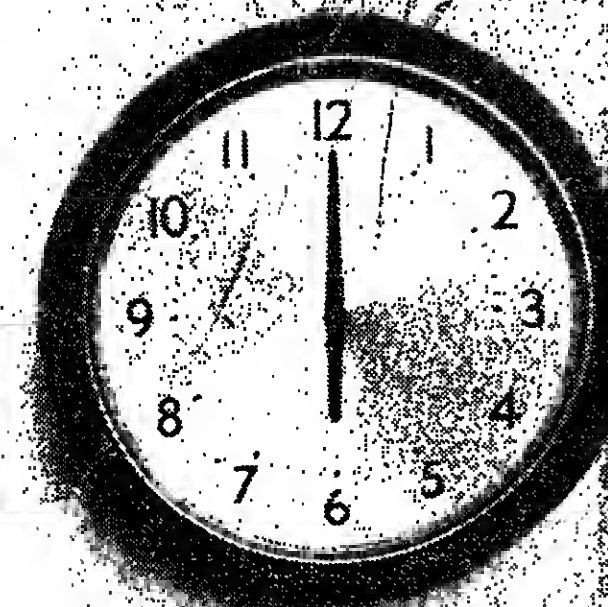
NatWest Brussels.



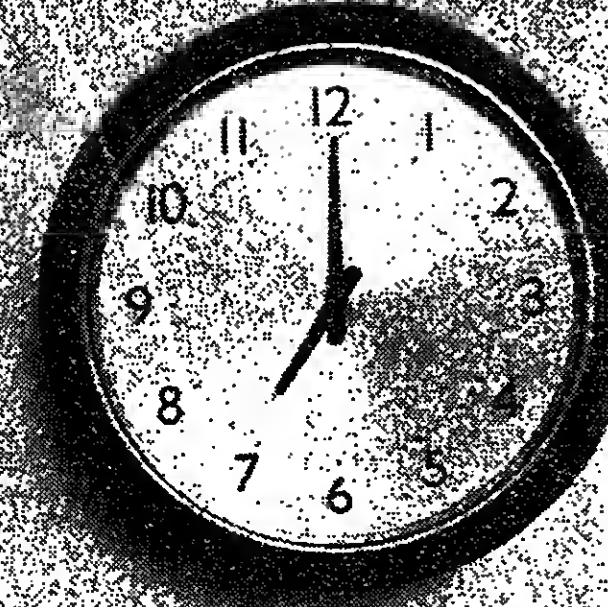
NatWest Frankfurt.



NatWest Paris.



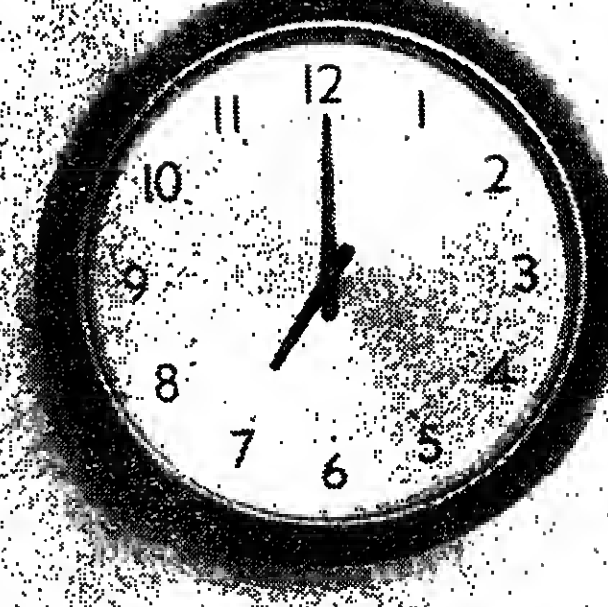
NatWest Madrid.



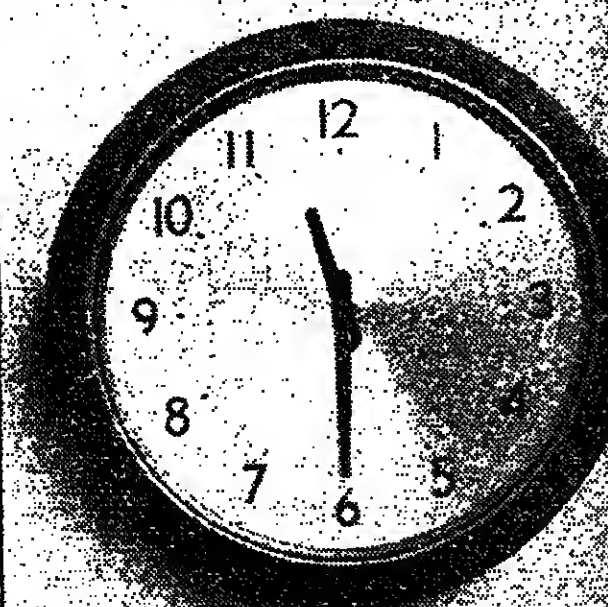
NatWest Piraeus.



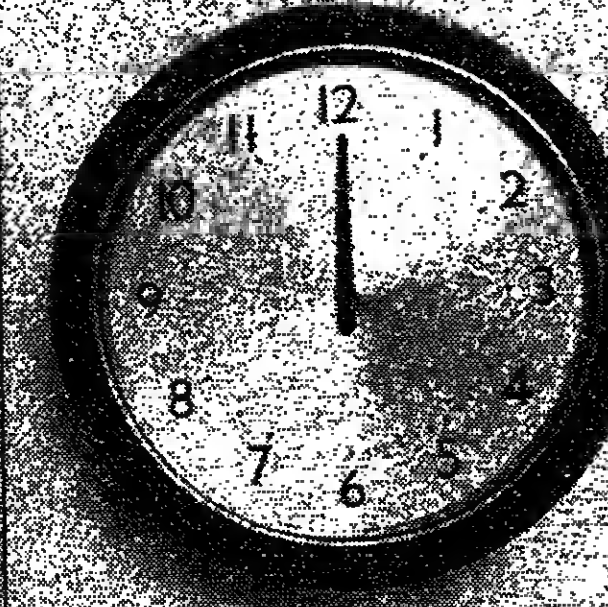
NatWest Moscow.



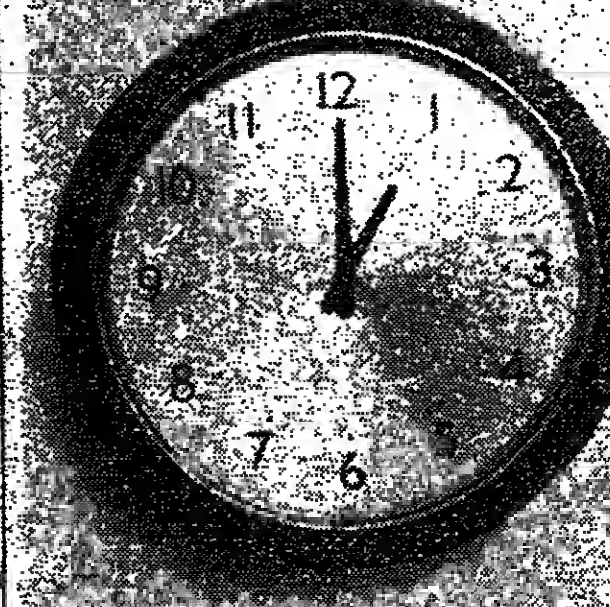
NatWest Bahrain.



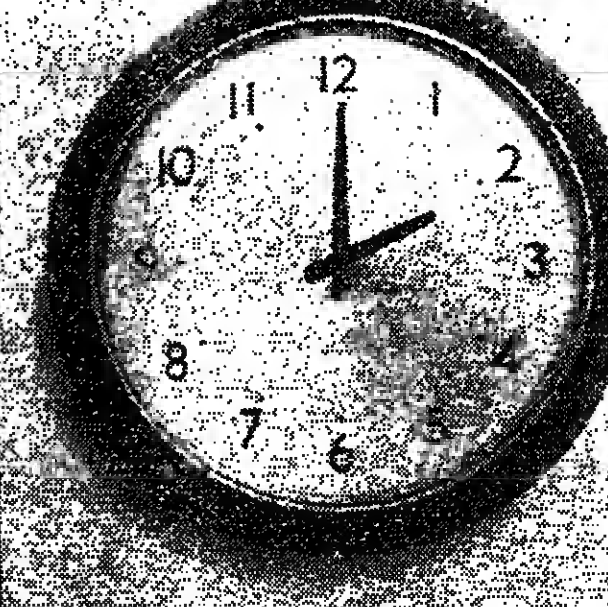
NatWest Singapore.



NatWest Hong Kong.



NatWest Tokyo.



NatWest Sydney.

International financing for major corporations. Assistance to UK exporters. Dealing in the world's currencies—buying, selling, lending, and deposit taking. Global movement of funds. Specialist services for international industries such as oil, gas, shipping, etc.

National Westminster Bank Group
You've got us just where you want us.

Clocks show Summer Time 1977

Adv
live
ate
Sea
216

ple
vide
obs

A
pp
co

*Libya

1

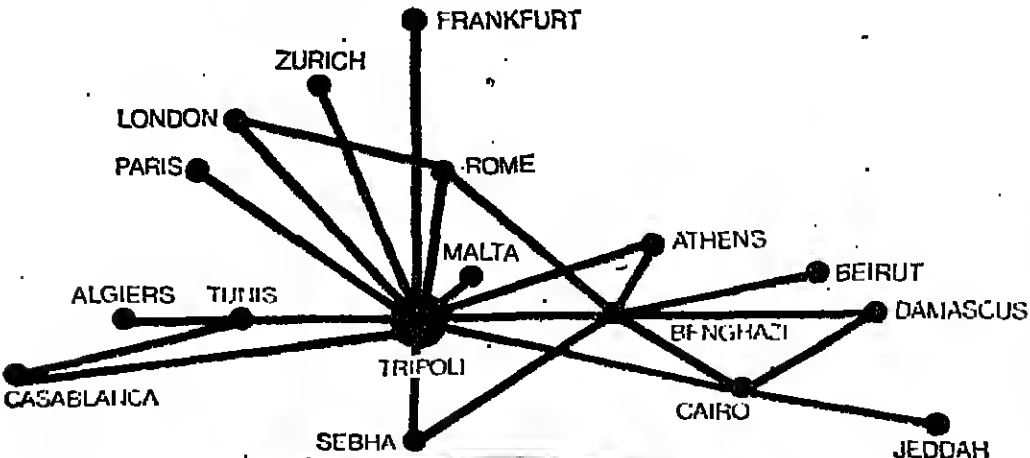
We've expanded again!

Libya 1 (the unique Libyan Arab Airlines Service to and from Libya) offers an important addition to its London - Libya service. There are now two extra flights each week, London - Rome - Benghazi with the option of getting on or off at Rome. Here are the details:-

Tuesdays and Thursdays (all local times):
London-Rome depart 14:15 **Benghazi-Rome** depart 08:45
 arrive 17:25 arrive 10:50
Rome-Benghazi depart 18:15 **Rome-London** depart 11:50
 arrive 20:15 arrive 13:05

This is all part of a continuous programme of development which has trebled the size of the airline in three years. The fastest, easiest, most relaxing way to fly to or from Libya is by Libyan Arab Airlines. Arrival and departure times are designed for the utmost convenience of businessmen and others. There are excellent onward services from Libya to the Middle East, North Africa, and other destinations in Libya itself. **27 airlines fly to Libya. We are Libya 1.** We would like to remind you of our existing service London - Tripoli, 4 days a week on Mondays, Wednesdays, Fridays and Saturdays.

For further information, please contact our U.K. Manager - Mr A. O. Luati. Tel: 01-730 3565/01-821 4242. Here is our latest route map:-



انخطوط اجوية العربية الليبية
LIBYAN ARAB AIRLINES

*SOCIALIST PEOPLE'S LIBYAN ARAB JAMAHIRIYA

Oil rig service deals may top £300m.

By Ray Dafer, Energy Correspondent
THE OFFSHORE oil industry has begun to arrange maintenance contracts that could be worth between £300m. and £400m. annually by the early 1980s.
 As production builds up towards energy self-sufficiency within the next three years offshore operators are facing a level of inspection and maintenance totally new to the oil industry. One of the first comprehensive maintenance contracts to be arranged was announced yesterday by P & O Subsea. The company has won a three-year contract worth about £3m. for underwater inspection and maintenance on Hamilton Brothers' Argill field. The work will be carried out as part of a larger £10m. three-year maintenance contract won by Strongwork Diving International - the main contractor for the Argill field work.

'Mini sub'
 Star Offshore Services are also involved in what has been described by P & O as the first ever offshore oil field maintenance contract involving a submersible 'mini sub'. Submersible-supported work as well as being carried out in the underwater servicing, Vickers Oceanics, BP's subsidiary Sonarmar and Comex are among other submersible operators which see a big increase in sub-sea maintenance work. This year the oil industry could spend about £50m. on the inspection and maintenance of platforms, pipelines and well systems. It has been estimated that over the life of the North Sea oil activity over £10bn. will have to be spent on these services. Operators with gas producing interests in the southern sector of the North Sea are already finding that their production installations need more upkeep than originally envisaged.

Breakthrough
 P & O Subsea has so far invested £10m. in equipment, a figure which could double in the next two years. Mr. Ivor Davies, its commercial manager, said yesterday that the company had made a breakthrough in underwater work. Using a submersible support vessel only, the company had begun to remove and recover abandoned seabed well-heads. When equipment is lowered from drilling rigs, the normal cost of removal of the work can cost £30,000 to £50,000 per well. Well head removal can be much more costly, however, when oil companies decide to undertake the work once the oil rig has moved from location.

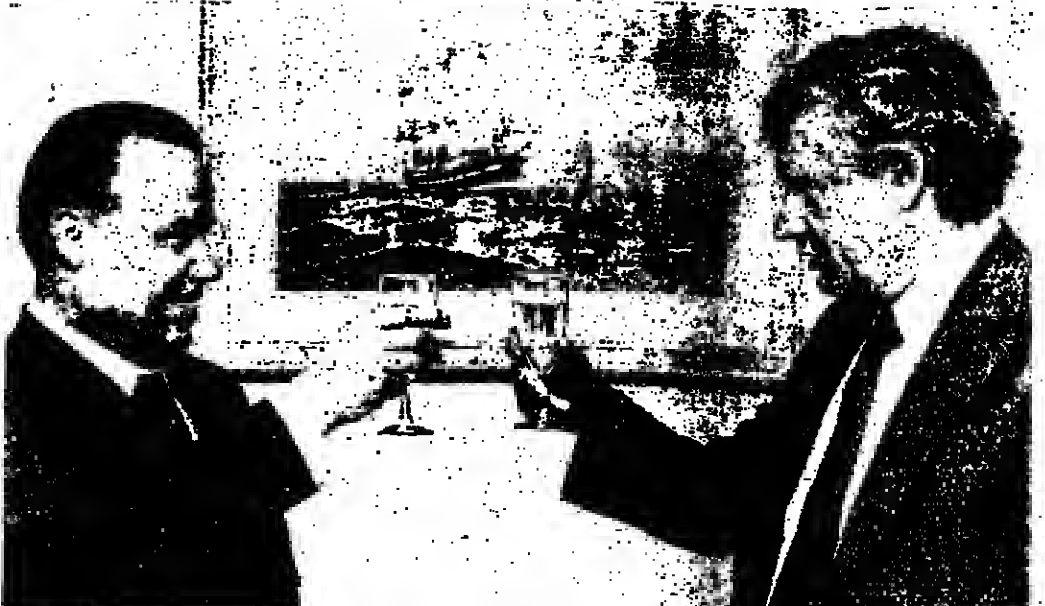
Insurance claim forms criticised

By Stuart Alexander
A CALL for improved insurance claim forms, a warning on quality when buying in bulk, and criticism of some colour photographic processing notices are the main points in the latest edition of Which?, the Consumer Association magazine. A survey of 70 claims forms issued by insurance companies showed the vast majority needed substantial improvement, says the magazine. Copies of all the forms had been sent to the Office of Fair Trading with a request for its attention and the matter had also been brought to the attention of the Government and the British Insurance Association. The main criticism is that it is not easy to calculate the correct amount to claim, particularly where the value of the item had risen since original purchase. And it claims that the forms are not always helpful. Which? says savings of about 10 per cent can be achieved by bulk buying food, and that could mean up to £70 off a family's grocery bill in a year. However, some buyers had found that the quality of some items, such as tea and washing-up liquid, were worse when bought in bulk. Green sand and pink rocks were sometimes the results of sending colour films to be developed and printed by some processors. Which? advises customers to complain and demand reprints in the event of poor service, and adds that a watch should be kept for special offers as these can sometimes save half the cost.

Eleven-plus dropped in Ulster

By Our Belfast Correspondent
THE GOVERNMENT has decided that the controversial 11-plus selection procedure will be dropped immediately in Ulster schools. The announcement was made yesterday by Lord Melchett, Minister of State at the Northern Ireland Office. The Government plans, however, do not take the Province any closer to integrating the education of Protestant and Roman Catholic children.

HOME NEWS



Reminder for Russians

Mr. Edmund Dell, Secretary for Trade, and Mr. Stanislav Guzenko, the Soviet Merchant Marine Minister, celebrating after the signing in London yesterday of a protocol to the 1968 Anglo-Soviet Treaty on Marine Navigation. Mr. Dell took advantage of the occasion publicly to remind the Russians of the anxiety felt by Britain and other Western maritime countries at the continued expansion of the Soviet merchant fleet. Three days of talks had proved useful and progress had been achieved on issues concerning bi-lateral trade, said Mr. Dell, but the key problem of Soviet freight rate cutting no headway had been made. But both Mr. Dell and Mr. Stanislav Guzenko, the Department's Under Secretary, who led the British negotiators, were encouraged by the fact that Mr. Guzenko had agreed to further talks being held on the outstanding issues. Mr. Guzenko expressed a willingness to "co-operate" over the problems caused by Soviet underpricing of conference liner rates but it will be some time before it becomes clear whether this indicates a softening of Russia's aggressive shipping policies which many British shipowners feel is based more on military than commercial considerations.

Concrete suppliers may face court


By Michael Cassell, Building Correspondent
THE OFFICE of Fair Trading is expected to take four ready mixed concrete suppliers to the Restrictive Practices Court after a three-month investigation. The Office of Fair Trading began investigating trading arrangements of the four companies in the Thames Valley region after "Press" allegations about a price fixing ring. It is understood that about 12 other companies in the same area are also under investigation. The companies involved are Topmix (Southam), Mixconcrete, Summerglaze Gravel and Ready Mixed Concrete (Thames Valley). The Office of Fair Trading has now placed on the Register of Restrictive Trading Agreements details of the four company arrangement as it was maintained between February and May, last year. It has been announced since the Office of Fair Trading investigations began. The Register states that under the arrangement, the four companies allocated between themselves all known work in the Thames Valley area. They then agreed a particular price for the job in question and the party allocated the business quoted below this level while the rest asked a price above it. To operate a restrictive trading agreement is not a criminal offence, but parties which claim to have been harmed by one can take legal action. If the Thames Valley cases are taken to the Restrictive Practices Court, the companies involved are likely to have an order made against them preventing them from again operating the agreement, or any similar arrangement.

More cash and new laws to end inner city decay

By Stuart Alexander
A LONG-TERM commitment to combat the problem of inner city decline is contained in a White Paper, Policy for Inner Cities, published yesterday. As well as incorporating the Government's intention to boost capital spending it promises legislation to extend the powers of local authorities, and emphasises partnership arrangements between central and local government. It also calls for a "new and closer form of collaboration" with the private sector, representative organisations, voluntary bodies and the people living in the inner areas. As part of the process of achieving a new balance, the Government had, for some time, been reviewing the role of the new towns. Accordingly the long-term population targets for the third generation new towns had been reduced and some of the resources would be redeployed. But over the next seven or eight years the momentum of new town development would be substantially maintained. The urban programme, as already announced would be boosted from under £30m. a year to £125m. in 1979-80 although the vacant or underused land which remain the principal tool. The White Paper sees local authorities as "the natural agencies" which have assisted large-scale to tackle the specific problems: decentralisation and in the They would be given extra powers to make loans to companies on commercial terms for purchase and for erecting or improving buildings. Much of the White Paper is based on an inner area studies carried out by consultants over the last four years in parts of Liverpool, Birmingham and Lambeth, plus the West Midlands study in relation to Glasgow. These had underlined the erosion of the inner area initial rent-free period in the economy and the shortage of private investment. They had also demonstrated the prevalence of poverty, poor environment and housing conditions. While it points to the economic decline of such areas, the physical decay and the resulting social disadvantage, the White Paper also takes stock of existing social capital such as roads, main services, public buildings, houses, schools and commercial buildings as well as

Planner calls for freeports

THE GOVERNMENT should consider making small areas of some of the country's decaying cities into "freeports" with virtually no planning or other controls, says Professor Peter Hall, a leading academic planner. The aim should be to "recreate the Hong Kong of the 1950s and 1960s inside inner Liverpool or inner Glasgow," he told the Royal Town Planning Institute's annual conference at Chester yesterday. He suggested that such "freeport" areas would be outside U.K. exchange controls. Businessmen from the Third World would be welcome to come in and set up their factories.



\$100,000,000

Kingdom of Norway

7½% Notes Due June 15, 1982

All of these securities having been sold, this advertisement appears as a matter of record only.

Goldman, Sachs & Co.		
Kuhn Loeb & Co. Incorporated		
Merrill Lynch, Pierce, Fenner & Smith Incorporated		
Salomon Brothers		
The First Boston Corporation	Bache Halsey Stuart Inc.	Blyth Eastman Dillon & Co. Incorporated
Dillon, Read & Co. Inc.	Drexel Burnham Lambert Incorporated	Horoblower, Weeks, Noyes & Trask Incorporated
E. F. Hutton & Company Inc.	Kidder, Peabody & Co. Incorporated	Lazard Frères & Co. Incorporated
Loeb Rhoades & Co. Inc.	Paine, Webber, Jackson & Curtis Incorporated	Reynolds Securities Inc.
Smith Barney, Harris Upham & Co. Incorporated	UBS-DB Corporation	Warburg Paribas Becker Inc.
Wertheim & Co., Inc.	White, Weld & Co. Incorporated	Dean Witter & Co. Incorporated
Arnhold and S. Bleichroeder, Inc.	Bear, Stearns & Co.	L. F. Rothschild, Unterberg, Towbin
Shearson Hayden Stone Inc.		Weeden & Co. Incorporated
ABD Securities Corporation	Baer Securities Corporation	Basle Securities Corporation
Daiwa Securities America Inc.	EnroPartners Securities Corporation	Robert Fleming Incorporated
Hambros Bank Limited	Kleinwort, Benson Incorporated	Kredietbank S.A. Luxembourgeoise
New Court Securities Corporation	The Nikko Securities Co. International, Inc.	Nomura Securities International, Inc.
Scandinavian Securities Corporation		J. Henry Schroder Wagg & Co. Limited
SoGen-Swiss International Corporation		Yamaichi International (America), Inc.
Andresens Bank A/S	Bergen Bank	Christiania Bank og Kreditkasse
Den norske Creditbank		Union Bank of Norway Ltd.

June, 1977

سكواكس للاصل

HOME NEWS

National Bus made £4m. profit last year

BY IAN HARGREAVES, TRANSPORT CORRESPONDENT

THE State-owned National Bus Company went back into the black last year, earning a surplus after interest and taxation of more than £4m., compared with a deficit of £18m. in 1975. The company's annual report, published yesterday, paints a picture of increased thrift and efficiency, but points out that improvement in the financial situation was accompanied by a 9 per cent. fall in the number of passenger journeys. The number has dropped by almost a third since 1969.

The unusually large fall in 1976 was partly a result of increased fares. During the year, average receipts per passenger journey, a broad measure of the average increase in fares across NBC's 40 operating companies, went up by 26 per cent. in 1976. The loss of passengers is also blamed on the fall in leisure travel during last summer's heat-wave, but it is noted the downward trend had eased off by the end of the year.

Another worrying feature of the report concerns National Travel, the company's operator of the coach and express services. Here, fares were up by more than 25 per cent, while passenger numbers fell by an alarming 10 per cent.

In spite of these factors, the service increased its revenue by 20 per cent, to over £29m., and age figure was down 3.7 per cent, recorded a small trading surplus, on 1975.

The loss of business is attributed to the general state of the economy.

Looking to this year, the report says further improvement in the financial picture will require "both continuing efforts and a degree of good fortune."

Three negative factors are foreseen: the impact of EEC regulations on drivers' hours, which would cost the company £40m. a year and cause "lasting damage to employment in the bus industry"; possible cessation of Government grants towards the cost of new buses; and the uncertainty of financial support from local authorities.

Fail to pay

On this last point, the report says some authorities were failing to pay NBC companies the amount they receive from Government for bus support. It is pointed out the amount spent by the non-metropolitan counties on bus services is actually decreasing in real terms.

Turning to the forthcoming White Paper on Transport, the report merely expresses confidence that the company's views will be given due weight.

Last year, passengers made almost 2bn. journeys on buses and coaches. More than 700m. miles were run, though the mile-20 per cent, to over £29m., and age figure was down 3.7 per cent, recorded a small trading surplus, on 1975.

Gross revenues of operating companies were up 13 per cent, at £366m., whereas working expenditure increased by only £32m., or 10 per cent, because of greater efficiency and service reductions. The size of group debts was down 4.5 per cent, and staff down by 3.6 per cent, to 67,900.

It is noted the improved financial performance meant that almost all net capital expenditure was met from internal resources, although interest charges rose by £3m. (38 per cent) to nearly £11m.

The report says, however, subsidiary companies' cash resources are still inadequate to withstand prolonged disruption of services by industrial action or even bad weather. There were no major strikes in 1976.

Another improvement last year was in the delivery of new vehicles, delays in which had caused considerable problems in 1975. Nevertheless, 303 vehicles due for delivery were still outstanding at the end of the year.

National Bus also made a profit last year from its joint interest with British Leyland in Bus Manufacturers, a group whose extension was proposed earlier this year by Leyland in an attempt to obtain financial backing for a new generation of double-deck buses.

Last year, the company retained profits of £914,000 from its share in Bus Manufacturers.

Rush hour service may be hit by reduced mileage scheme

BY DAVID FREUD, INDUSTRIAL STAFF

THE NATIONAL Bus Company plans to reduce bus mileage by 13 per cent, over the next few months, mainly by withdrawing peak facilities.

The reduction, equivalent to 75m. miles over the year, follows predictions in January of a total annual cut of 3 per cent. The cuts have been caused by a lower level of grant support by local authorities, whose transport budgets have been put under pressure by the Government.

Mr. Robert Brook, the chief executive, said in London yesterday the cuts would be phased in "as quickly as we can decide on the councils' attitudes and negotiate with the unions."

The prime target would be the peak-hour services, whose incremental cost would represent the greatest saving.

Although no further fare increases were planned, there could be further pressure on services and fares if concessionary allowances are cut by councils. About £15m. derives from concessions and pensioners affected by their removal are likely to travel less — thus reducing overall revenue.

Sir Freddie Wood, chairman, said although the £4m. surplus was a considerable achievement, it was still not good enough to make the company financially independent and to carry out its obligations to customers and staff.

"At a time of raging inflation we need up to £50m. a year to cover replacement costs. Our depreciation allowance was nowhere near this."

The company, therefore, was still dependent on borrowings. "If anyone can succeed in overcoming this difficulty, it will be the management and staff of the NBC."

In energy terms, the bus company was an economic organisation. "We will ultimately be required again when oil reserves begin to run out at the end of the 1980s," Sir Freddie said.

Shoe manufacturers fear imports will erode industry

BY CHRISTOPHER DUNN

A RISING TIDE of shoe imports is sapping the energy, will and confidence of British manufacturers, according to Mr. Monty Sumray, president of the British Footwear Manufacturers' Federation.

Competing with shoe imports means producing at a loss and being bankrupt, Mr. Sumray said yesterday at the Federation annual meeting in London.

Imports in the first three months of this year rose by 25 per cent in volume. There was a 41 per cent rise in the volume of shoe imports last year.

If the trend continued, one out of every two pairs of shoes sold in Britain by the end of the year would be foreign.

Mr. Sumray called the Government and the EEC to act immediately to prevent further erosion of the U.K. footwear industry by these "unfair" imports.

His plea for outside intervention comes against a background of falling production in a stagnant market, which meant last year that 600 employees were registered for Temporary Employment Subsidy.

Shoe exports, however, rose by 1m. to 18m. pairs last year and there has been a further improvement so far this year. The aim is to double last year's export figure by 1980.

Warning on wasted revenue from oil

By Ray Daffer, Energy Correspondent

THE OFFSHORE oil industry's investment in the North Sea could reach £17.5m. by 1985, according to Aims for Freedom and Enterprise.

By the mid-1980s the benefit of North Sea oil to Britain's present and long-term capital account could be as much as £12m. to £18m a year, the private enterprise group's report states. Last year the initial outlay from offshore oil fields benefited the balance of payments by some £800m.

Aims gives warning of the danger of being "squandered by spendthrift governments". The post-war record and consequences of Britain's public spending provide absolutely no comfort that the mistakes of the past will be avoided in the future.

"It would be a tragedy if the enormous efforts of the oil industry were put at risk."

The main danger was that the revenue gained by the state from North Sea oil — revenue which could be equivalent to 5 per cent of Britain's Gross National Product in the early 1980s — would be frittered away in politically motivated policies.

The report takes to task Mr. Anthony Wedgwood Benn, Energy Secretary, who said in Washington recently: "Public investment in energy, and the associated private investment which it will bring, hold out a real hope." It was private investment which led public expenditure.

"Two companies, Shell and Esso, were spending at an annual rate of over £500m., or roughly £1,000 every minute, on capital equipment for the British sector of the North Sea. By 1985 the two companies could have spent over £2.5bn. on capital items—half as much again as the recent International Monetary Fund loan to Britain.

"Private capital has proved that it has an immense amount of imagination, the ability to see years ahead—in contrast to government's tendency to plan from year to year—technological initiative and, above all, courage."

£1,000 a minute—How the Oil Industry is Making Britain Richer. Aims for Freedom & Enterprise, 5, Plough Place, Fetter Lane, London, EC4A 1AN.

Jobs campaign launched by self-help agency

BY CHRISTOPHER DUNN

A new move to create work on help to ease Merseyside unemployment is being launched by Action Resource Centre, a London-based agency which launches community projects with the help of personnel seconded from interested companies.

Backed by a grant of £40,000 from the Ewintree Trust, the Liverpool initiative will be headed by Mr. Donald Barnes, a former Harland and Wolff engineer, who has just completed a study on how industry can spend money on them.

The new chairman, who is also the chairman of the county council and member of the Lake District special planning board, said that, apart from spreading of the tourist season, she also wanted to spread the area of tourism, so that more places in the county were involved, and visitors had a wider choice of environment and opportunity.

"The tourist board through its important central marketing activities, can then channel people more to the type of holiday they want," she said.

Bid to boost Cumbria

BY DOR WINDERMERE CORRESPONDENT

MRS. ISABEL JAMES, elected this week as chairman of the Cumbria Tourist Board, sees the Board's most important job in the next few years as the creation of more wealth and more employment in the area.

"I would like to see more consideration, given by the Government and the Tourist Board to promoting development in the area which will provide more wealth and more jobs," she said yesterday.

"Small businesses in particular, I would like to encourage, because they not only stimulate more jobs, but keep their money in the area."

Mrs. James, who lives in Windermere, said that any development in Cumbria should be "environmentally satisfactory" and in no way damage the environment or the quality of the area.

About £60m. came into Cumbria through tourism during the year, but "we should be getting more."

A SCHEME to train inmates of Scotland's young offenders' institutions to live in the outside world should be set up "as a matter of the greatest urgency," the Scottish Parole Board said yesterday.

Unlike adult prisoners, youngsters have no "half-way stage," when they can live for a period in conditions of controlled freedom, the Board said in its annual report.

Their abrupt release into the community is negating the skilled and thoughtful work of the institutions' staff, the Board said.

Young offenders training plea

A SCHEME to train inmates of Scotland's young offenders' institutions to live in the outside world should be set up "as a matter of the greatest urgency," the Scottish Parole Board said yesterday.

Unlike adult prisoners, youngsters have no "half-way stage," when they can live for a period in conditions of controlled freedom, the Board said in its annual report.

Their abrupt release into the community is negating the skilled and thoughtful work of the institutions' staff, the Board said.



"Our assets were frozen..."

ROSS IMPLACABLE

"...until Lamson Paragon showed us how to keep them moving!"

David Dukes, Financial Director, Ross Foods Ltd.

D. Dukes: "With 21 depots across the country, distributing frozen food is tricky — and expensive. Efficiency is everything. New Business and customer retention depend on it!"

Lamson Paragon: "Size was your problem?"

D. Dukes: "Indirectly, yes. You see, we grew by a series of acquisitions and amalgamations. Each company had its own sales and distribution system — typically, hand-written invoices, delivery notes, etc. — and standardisation was essential. Obviously, the answer was a computer based system."

L.P.: "And when you'd chosen the right computer you had to choose the right method of data entry?"

D. Dukes: "That's right. One of the basic constraints of our business is that we take orders up to 3.30 pm and pack them on the same day for despatch at 7.30 am the following morning."

L.P.: "You needed a really fast and efficient system then?"

D. Dukes: "Yes, that's why we decided on your OMIR input documents because they're specially designed to feed the required information straight into the computer, cutting out time-consuming operations like punching and verifying. Error-free customer invoices are produced within minutes of a depot taking an order."

L.P.: "So the new systems have revolutionised the sales and distribution organisation within your company?"

D. Dukes: "Certainly. And the 4-part invoice and delivery note which the computer prints out provides for the retention of greatly improved management information."

L.P.: "You'll stay with Paragon computer stationery?"

D. Dukes: "Your systems are now an integral part of our selling and administrative procedures. Need I say more?"

L.P.: "Only that the housewife is benefiting too."

Computer Stationery—just one of Lamson Paragon's Business Systems

Input and output documents tailor-made for any computer system, whether it be for accounting, stock control, market research, statistical analysis or any other purpose.

Profit from the experience of others — choose:

Business Forms by Lamson Paragon

Ask your secretary to mail the freepost coupon for further details on how Lamson Paragon can improve your profitability.

Name _____

Company _____

Address _____

Tel. No. _____

Lamson Paragon Ltd., Publicity Department, FREEPOST Paragon Works, London E18 1BR

FT2

A member of the Lamson Industries Group.

METALWORKING

Makes a good weld

IN AUTOMATIC submerged arc welding of butt and T-joints problems of burr-through are encountered because of the variation in the joint gap, which can vary from 0 to 6mm if the edges of the plates forming the joint have been badly prepared.

A Russian welding engineer has developed a simple method of solving the problem. A spiral is made of welding wire 0.5, 0.5 or 1mm in diameter. The diameter of the spiral is equal to the largest gap in the joint. The spiral coil of wire is laid in the joint, and the wire is stretched to reduce its diameter until it fits.

When welding commences, the flux is retained by the spiral and forms a backing below the weld pool—in ensure formation of the flux backing during deposition of the first bead, melting of the parent metal should not be

COMMUNICATIONS

Quick display of maps

THOUGH IT is primarily a military project, the development of a combined film and cathode ray tube large screen display by Battelle, Frankfurt, with the co-operation of Ferranti's Inertial Systems Department is of considerable interest to commercial areas.

Ferranti equipment will project standard maps on a screen one metre square and, simultaneously, symbols generated on the cathode ray tube representing the vehicles, ships or aircraft can be projected on the same screen and positioned at the correct relative areas.

The equipment can easily be adapted to training situations, the computer being used in a simulation role.

Topographical detail comes from photographs on 70 mm film strip of standard maps. If these strips are to a scale of 1:50,000 a total land area of 300,000 square km. is covered by a single strip.

Projector operation is under processor control which moves the film strip as needed. The CRT projector is similarly controlled and the processor coordinates movement and position of the symbols in function of the map area selected. The system derives its part from the Ferranti group's experience in

designing and building combined film and cathode ray tube displays for military aircraft.

But the new concept demanded that the company develop a 70 mm film projector capable of being controlled from a small computer as well as the special camera needed to photograph maps on 70 mm strip.

Sections of the various maps are photographed in strips covering several frames and the film can be positioned accurately within one-third of a frame by the automatic control developed for the purpose so that the relevant area will be placed near the centre of the screen.

Battelle has recorded considerable interest from military, safety and security authorities as well as public utilities in western countries in this particular project. One of the reasons is that it eliminates the need for large operations staff to run conventional operations rooms tables with controlling the display of field

communications under which the latter assumes responsibility for world markets outside the U.S.—of advanced microprocessor controlled Pentil 1000s for data communications.

Important, so far as the jobs situation in the U.K. is concerned, is that the agreement gives Redifon first option on manufacturing. It will place the U.K. company in an excellent position to capture a share of the data communications business, now estimated to be running at around £100m. annually with a growth rate of about 20 per cent.

Initially, Redifon will market the Pentil 4800 and 9600 micros, both of which will be available this year. Advanced electronic engineering provides the product with several advantages which include very fast multi-drop and rapid backward channel facilities.

The company's general manager, Arthur Kennedy, who has long experience of teleprocessing on central computers, expects the pricing Redifon will be able to offer on the products, coupled with the reputation Pentil has won for them and their predecessors, will give the new venture a good start in the market.

Redifon Telecommunications, Broomhill Road, Wandsworth, London SW18 4JQ. Tel: 874 7281.

A friendly reliable service with GKN Bars and Sections

GKN (South Wales) Ltd. Tel: 0222-33333

COMPUTING

Expanding test power

MANAGING of manufacturing data bases as well as other important tasks are added to the program generation and production test capabilities of Hewlett-Packard's DTS-76 Digital Test System. New options allow the use of the HP 1000 as well as most existing HP computer controllers for the DTS system.

With the HP 1000, the DTS not only resolves problems digital testing but also enables manufacturing managers to manage their tasks with a sophisticated controller.

Multiple terminals may see the data base for information such as incoming inspection reject rates and inventory status, at the same time the system is controlling test stations. Test stations can use assembled instrument clusters.

Other advantages of the DTS-76 HP 1000 include reduced simulation time, use of defined single stroke keys, a lower run/total price ratio.

The company is at King Street Lane, Wincoburn, Wokingham, RG11 5AR. Wokingham 784774.

PROCESSING

Control of purchases

COMPUTERLINE has been awarded a contract by an electronic equipment manufacturer to process a purchase control system.

The contract has been acquired from another computer bureau because of Computerline's ability to operate the system at a price advantage and in provide a "total" systems service.

The price advantage comes from the low unit cost of processing in the Plessey-owned ICL 1906S computer and partly from cost control measures effected by the bureau.

The contract involves an hour daily, plus weekly and monthly

processing of the client's purchase control system. This involves some 25 Plan programs, the operation of which is controlled by George 3. Most runs are performed in batch mode overnight but terminal facilities are currently being arranged for the user to obtain selective reports on demand.

When transferred to Computerline, the system employed paper tape as the input media. This was prepared at a separate data preparation bureau from the computer service supplier. Computerline has subsequently converted the media to cassette recording using Olivetti 531 machines, with no change in source document formats, which (Computerline claims) has resulted in significant improvements in accuracy and costs of data preparation.

Computerline is on 0932 40298.

COMPONENTS

Carbon sealing rings

FIRST manufacturer of carbon components to succeed in making metal-impregnated carbon sealing rings in one piece up to 500mm in diameter, Sebunk and Khe won a gold medal award at the Leipzig Spring Fair in recognition of the advance in technology this represents.

Axial dynamic seals for rotating shafts are being used more frequently because of their durability and resistance in various media, while having the lowest leakage rate of all types of rotating seals, the company says.

The rings mentioned above were developed specifically to meet a nuclear power plant requirement, but they are obviously applicable wherever there is a special performance problem. Previously, the maximum diameter achieved in this type of ring was 300mm.

More from the maker at 29, Market Place, Kingston KT1 1JH. 01-546 1114.

ELECTRONICS

Lighting up time

FOLLOWING the May announcement that the Trafalgar Watch Company had decided to use a permanent light source from Saunders-Roe—a Betalight in an extremely compact form—as an illuminator for its latest liquid crystal display watch, the company has decided to launch six Betalight watches of this type, with an eye on the export market.

According to Mr. W. Hermann, chairman of the company, there is a very large export market potential for this type of watch and output at the company's North London plant is being stepped up to reach about 1,000 units a day in the next week or so.

The advantage of the Betalight is that the safe radiation-excited luminescence is independent of battery power. This means a liquid crystal watch battery will last for some two years against about 18 years where the display is back-lit from a bulb drawing power from the cells.

No problems are expected in exporting except to France, while in the U.S., each watch would have to have a radiological licence, which would make sales almost impossible.

These LCD watches are assembled entirely in Britain using an RCA watch module with all the date and a stopwatch functions on an Electrovac liquid crystal. Trafalgar took three months to develop the basic unit which it did by its own resources.

Next on the list will be a crystal-controlled analogue watch to be launched about July, while at the end of the year there will be a further development of the LCD watch about which Mr. Her-

RESEARCH

Night time power store

IN THE early stages of development at Battelle Columbus Laboratories in the U.S. is a energy storage system called water battery which appears to be a further development of hydrogen-oxygen fuel cell.

The device—so far as on-laboratory experiment level—works in both directions; supplied with a current it breeds water down by electrolysis in oxygen and hydrogen, and in discharge mode the gases combine to provide power.

Idea behind the Battelle programme is to use the device details of which have not been released, to consume cheap electricity at night and to generate it the following day to fill in peak load demands.

The three elements of a full scale system would be an electrolysis cell bank, storage tanks to hold the hydrogen and oxygen in the electrolysis mode and the water from discharge periods and an electrical transmission system for ac in dc and vice versa.

Likely size of a 10 MW unit would be 50 x 150 ft., with a height of 15 ft. Installed system costs—on present designs—are in the region of \$300/KW.

MATERIALS

Better clay for potters

UP TO 1,500 tonnes of prepared clay body per week, or else half the requirements of the Potteries for tableware raw materials, will be turned out by a plant of innovative design established Quarry, Oakmoor, in North Staffs.

BIS Minerals, its owner, has spent something like two years to develop a production unit which can turn out a raw material with greater consistency of mix and quality.

One type of clay body produced will allow pottery to be fired fully vitreous at normal earthenware temperatures of 1,140 degrees C with full decoration and glazing techniques carried out in a one-fired system.

BIS Minerals has solved its effluent problem and by the same token those of its customers. It is a subsidiary of Hepworth Ceramic Holdings Group.

BE The British Engineers

PRECISION RIVETING SPEEDS PRODUCTION

Few if any, know more about riveting technology than the manufacturers of the world-famous 'Aylesbury' range of rivets, special cold formed parts, setting machinery and other labour saving equipment. Whatever your requirements the BE Group members offer a service of unequalled quality and reliability. Shouldn't you be keeping abreast of the latest developments?

Send today for The Guide to the BE Group

Group Head Office: Bifurcated Engineering Ltd., PO Box 2, Mandeville Road, Aylesbury, Bucks HP 21 8AB. Tel: Aylesbury (0296) 5911 Telex: 83270

Keyboard for use in the wet

WATERPROOF, a keyboard from Compstock Electronics, is a sealed, flat unit. When a key position is selected and depressed, contact is effected by a flexible metal diaphragm which makes contact with a printed-circuit board forming the base of the keyboard. The wording on the key caps may be either numerals or letters, white on black.

Designated type CC and manufactured by Sadar in France, the keyboard has a continuous operating voltage of 50 volts (max.) and an a.c. voltage of 125 volts (max.), at a current of 100 milliamperes (max.) resistive load. Contact and insulation resistance are 100 to 150 million ohms and 100 megohms respectively. Contact bounce is less than five milliseconds.

Standard layouts for the keyboard are 12 or 16 keys and these can be supplied with or without mounting bolts. Delivered without bolts, it may be fixed under pressure from the front of a unit or applied to the front of a unit under pressure with a grid or frame. When fitted with bolts in the metal base of the keyboard it may be tightened from the front of the unit making a seal to the mounting panel. Electrical connection to the keyboard is by either direct soldering or socket connectors.

The sealed keyboard envelope is manufactured from nitride rubber and is resistant to most corrosive materials, heavy oils, animal fats, fuel oil, etc. The keyboard may be cleaned with detergents or alcohol.

This keyboard finds application in military communications, airborne units, lift controls and lifting equipment control. It is particularly applicable in "secure down" applications such as in operating theatres or food machinery.

Compstock is at 42, Bowley Croft, Basildon, Essex. 0268 27722.

Hose for hydraulic circuits

HOSE assemblies which are claimed to withstand the most severe flexing and vibrating conditions likely to be met in hydraulic circuits are now being produced by Hi-Flex International of Salisbury. Hose sizes range from 1 inch to 2 inches.

The company says that in tests the assemblies have withstood over 1m. flex-impulse cycles and that maximum performance can be expected at temperatures up to 100 degrees C and pressures up to 5,000 psi for the 2-inch bore hose. The assemblies are to be known as the Powertrak range.

DO YOU REALISE THAT THE DUPORT GROUP IS AS MUCH A PART OF DAILY LIFE AS THESE OTHER GREAT BRITISH ACHIEVEMENTS?

It's an impressive statement and one that Duport lives up to.

As one of the country's top industrial groups evidence of Duport technology can be found in daily use throughout the world. Almost every car, agricultural and commercial vehicle produced in the U.K. today and many overseas, can boast some Duport expertise which includes steering gears, oil pumps, interior trim, seating and a wide range of other engine and chassis components.

Duport's contribution in the home includes Vono furniture, Groveswood kitchens, Swiss curtain systems, Slumberland and Vi-Spring beds and Portways fibre for filling quilts, mattresses and clothing. We also supply components for a variety of uses in the domestic gas appliance industry.

We are one of the largest producers of quality steel in the private sector and make a major contribution to a large and varied range of products.

The company is committed to the demands of a world which attaches ever-increasing importance to technology and excellence.

Remember the Duport Group, it stands for a lot more than you probably realise.

DUPORT LIMITED,
Duport House, Hagley Road
Birmingham B16 8JU.

A GREAT BRITISH COMPANY

"I know reliability when I see it"

Speed doesn't mean shortcuts

It's not every day you see a Volkswagen fly! But when Mr Leckel needs to send a complete car, there's never any problem. We'll get it to its destination quickly and responsibly. We've got the equipment and the facilities to cope with any load... some 3500 unit load devices, for example.

Our Boeing 747 Combs can accommodate anything—from Volkswagens to enormous turbochargers! And the 2500 people who work for KLM Cargo will handle the big stuff as well as the tiniest electronic components with the same care and reliability. They have to. When you're handling 31 million pounds weight of cargo (equal to 23% of our total traffic revenue) in one year, you can't afford to be careless.

A history of service

KLM is the world's oldest airline. We've learned some hard lessons, but we learned them first.

Which means our 57 years' experience has been put to good effect. Why else would we make sure virtually all the cargo we handle is housed under one roof at Schiphol? (Our cargo centre there comprises well over 300,000 square feet.) We know the way to serve you best is to treat cargo as though it were our own.

Cargo is a human business

When you're shipping valuable cargo halfway round the world you've got to be able to rely on people. People who'll get your cargo off the ground and on to its destination safely, quickly and carelessly.

In 280 offices around the world, KLM Cargo specialists work with over 3000 cargo agents to do just that.

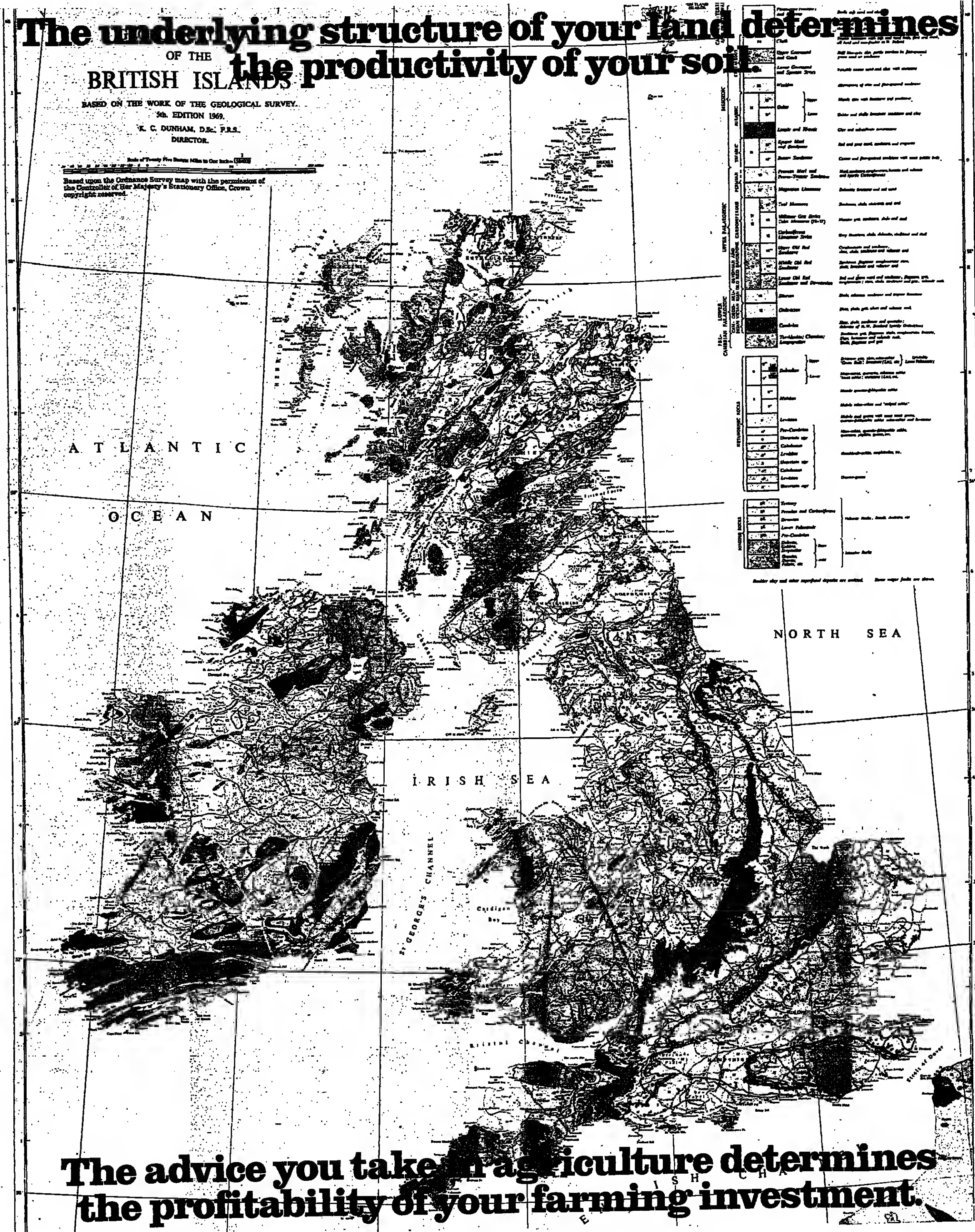
Which is why uncompromising customers like Mr Leckel have found a friend in KLM Cargo.

KLM CARGO

KLM Cargo - part of your product

Handwritten signature or mark.

The underlying structure of your land determines the productivity of your soil.



The advice you take in agriculture determines the profitability of your farming investment.

An increasing number of pension funds, insurance companies and individual investors are building their agricultural portfolios through SAVILLS, who also act in the subsequent management. Savills Partners offer professional, impartial advice.



SAVILLS

We buy, sell, value and manage property for clients.
20 Grosvenor Hill, Berkeley Square, London W1X 0HQ.
Tel 01 499 8644 Telex 263796
AMSTERDAM & PARIS
Associates in Scotland.

Banbury 21 Horse Fair, Banbury, Oxfordshire OX16 0AW. Tel 0295 3585
Chelmsford 136 London Road, Chelmsford, Essex CM20 0RA. Tel 0245 69311
Lincoln Spring Hill House, Spring Hill, Lincoln LN1 1EB. Tel 0522 34691
Norwich 8 & 10 Upper King Street, Norwich NR3 1EB. Tel 0603 61211
Salisbury Cheviot House, 71 Castle Street, Salisbury SP1 3UG. Tel 0722 20422
Wimborne Wessex House, East Borough, Wimborne, Dorset BH21 1PB. Tel 020125 2212

PARLIAMENT and POLITICS

Tories want private funds injected in New Towns

BY IVOR OWEN, PARLIAMENTARY STAFF

MAJOR CHANGES in the financing of the New Towns, with money obtained from the sale of realisable assets and the encouragement of private sector investment...

for the New Towns or suggesting a course of action that would lead to massive redundancies and the run-down of services. But at a time when the need for constraints on public expenditure was apparent to all...

Grimond sees risk of 1984 society

FINANCIAL TIMES REPORTER

DR. DAVID OWEN, Foreign Secretary, yesterday warned his Labour colleagues that it would be electoral disaster for the party to propose withdrawal from the Common Market...

Owen rejects call Barnett denies policy 'in tatters'

BY JOHN HUNT, Parliamentary Correspondent

THE GOVERNMENT intends to proceed with its economic strategy despite the massive defeat it has suffered on the Finance Bill...

MPs rap Ministry over arms sales

BY RUPERT CORNWELL

ONLY £19M. of £206m. of exports of land armaments by the Defence Sales Organisation (DSO) were made at a real profit...

Hattersley prices freeze thinking revealed

BY RUPERT CORNWELL

MR. ROY HATTERSLEY, Prices Secretary, last night issued a veiled but unmistakable appeal for the Government to freeze public sector prices...

started with the familiar argument that unless inflation is conquered, Labour will lose the next election and see the Conservatives cash in on all its sacrifices...



When Clive Lloyd hits 65 Standard Life will give him a benefit.

Right now, Clive Lloyd is only 32. So he's going to be giving England and a lot of other test and county teams a headache for many years to come. When the time comes to hang up his pads, though, he certainly won't be worried about money and security...

Standard Life

The largest mutual life assurance company in the European community.

Barnett confident pay accord will be reached

BY PHILIP RAWSTORNE

MR. DAVID BARNETT, leader of the General and Municipal Workers' Union said yesterday that he was convinced there would be an understanding between the Government and the trade unions that would provide for an orderly return to free collective bargaining.

Written Answers

TREASURY Mr. Tony Newton (Con., Braintree). What would be the revenue cost of raising the starting point of higher paid employment from £5,000 to £7,500 for the current financial year...

Business travel concession

TAX CONCESSIONS on expenses of business travellers abroad were announced last night by Mr. Joe Barnett, Chief Secretary to the Treasury...

Privileges claim fails

THE SPEAKER ruled in the Commons yesterday that a new letter issued by the Society for the Protection of the Unborn Child was not a matter to be considered as a breach of Parliamentary privilege.

Handwritten signature or mark at the bottom of the page.

LABOUR NEWS

NALGO rejects tough line on Phase Three

BY DAVID CHURCHILL IN SCARBOROUGH

BRITAIN'S fourth biggest trade union, the 700,000-member National and Local Government Officers' Association, at its annual conference in Scarborough, yesterday resoundingly rejected demands for a firm policy opposing a new Phase Three pay deal. The union's policy now will be to give qualified support to any new incomes policy negotiated between the Government and the TUC.

Miners urged to lead attack 'on disastrous' social contract

BY RAY PERMAN, SCOTTISH CORRESPONDENT

MR. MICK MCGAHEY yesterday urged miners to enter a wages battle for at least £135 a week for the next year to defeat the social contract.

Call for checks on equal employment chances

BY OUR LABOUR STAFF

TOO FEW companies had implemented policies to achieve equal opportunities for racial minorities in employment, Mr. John Grant, Under Secretary for Employment, said yesterday.

Agreement expected on mine bonus plan

By Alan Fike, Labour Staff

MINERS' representatives and National Coal Board officials yesterday discussed details of a new pit-based productivity scheme which the industry hopes to be able to introduce soon after the expiry of Phase Two.

Legal action against Grunwick considered

BY NICK GARNETT, LABOUR STAFF

THE UNION involved in the ten month Grunwick dispute is studying statements made by Mr. George Ward, the company's owner, with a view to possible legal action.

Mr. Ward has made a series of accusations that bribes and bullying tactics have been used to try and force employees still working at the North London factory to come out on strike.

Mr. Geoffrey Drain, the general secretary of the National and Local Government Officers' Association and next year's president, Mr. Glyn Phillips, said yesterday they would join the Grunwick picket lines.

Union action may hit flights

BRITISH Airways was faced with more industrial action by maintenance engineers last night which could have a more disruptive effect than last week's stoppages that halted the Heathrow to Scotland shuttle services.

Chloride meeting lifts hopes of peace formula

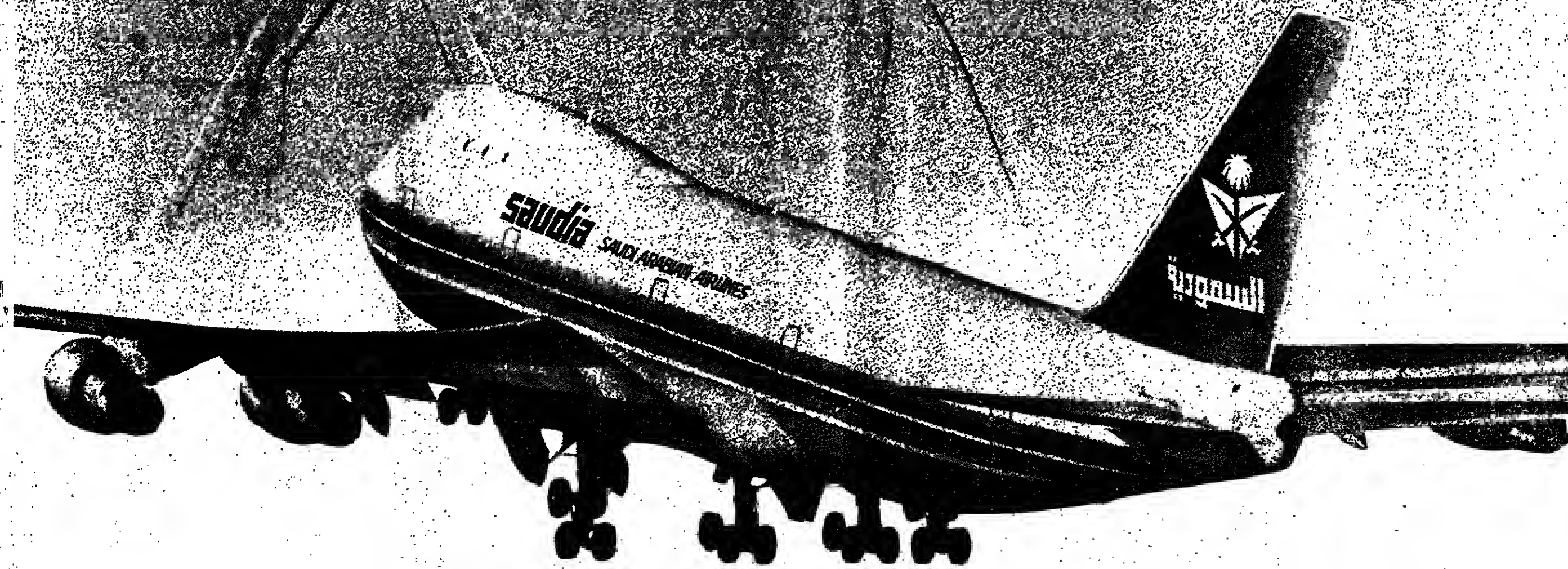
BY MAULINE CLARK, LABOUR STAFF

HOPES that a peace formula might be found in the five-week-old strike at Chloride Group's Manchester and Dagenham plants were raised yesterday as management and strike representatives met for the first time to discuss workers' grievances.

Until now, both sides had refused to open communications on a dispute over the group's productivity scheme with the strikers claiming a total breakdown in industrial relations in the company and a reversion by management to consultation rather than negotiation policies.

The unsecret of our success. Saitama Bank. The Japanese bank that helps you grow. URAWA CENTRAL OFFICE: TAKASAGO, URAWA, SAITAMA PREF., JAPAN.

THEATRES. VICTORIA PALACE. THE LAS VEGAS POLICE. WESTMINSTER THEATRE. WINDMILL THEATRE. WYNDHAM'S.



Now London-Riyadh non-stop 5 times weekly by Jumbo.

Only Saudia has flights capital to capital. We have the biggest fleet operating in the Middle East, too. The key to the heart of the Middle East. Saudia Saudi Arabian Airlines. Key to the heart of the Middle East. Telephone: London 01-993 7777, Manchester 061-833 9575.

THE JOBS COLUMN

Toy chief · Exports · Teaching company · Charter move

BY MICHAEL DIXON

FOUR WEEKS from today candidates, says Ralph Ehrmann, chairman of Airfix Industries, will announce group annual results once again showing an improvement over those of the previous year, which in 1975-76 recorded a pre-tax profit of £3.44m.

One of the forces behind the group's growth over the past decade is John Gray, head of the toy division which includes Meccano and Triang as well as Airfix products. And Mr. Gray is now setting out to make the group as prominent in the toy markets of overseas countries as it is in the U.K.

This means that he will be giving up the managing director's post at Airfix Products, the largest single component of the toy division. Which in turn means that someone is needed to replace him there, and Mr. Gray will pay at least £20,000 a year to get the required success.

Mr. Gray, to whom the newcomer will be responsible, will be a hard man to follow in the task of consolidating and further increasing the growth of the Products company. Based in Wandsworth, the recruit will have charge of about 1,200 people, and two main factories as well as a couple of smaller associated plants.

The essential qualification for candidates, says Ralph Ehrmann, is that they must be "fully grown" senior managers already, being demonstrably successful in running a business operation of substantial size.

In addition, candidates need experience in the toy industry, or a similar consumer-orientated field. Since there is "a terrific fashion element" in the toys business, the group chairman adds, he feels that the most likely person would be someone whose instincts are towards marketing, rather than engineering, finance or suchlike.

Bonus schemes are available among the negotiable perks, and the appointment is being handled initially by Michael Silverman, head of Merton Associates (Consultants). Inquiries, briefly stating suitable experience, should be made to him by telephone on 01-248 7421 (his home number is 01-522 7425) or in writing to 1-5 Queen Street, London EC4N 1FP.

Buildings

THE CONDER group, which still has no plans in go public, splits its profits 50/50 between employees and shareholders. Also, by arrangement with the Inland Revenue, it makes stock available for purchase by its

workers, two in every three of whom now participate in the scheme, together holding 35 per cent of the group's shares. This may well be a factor in the success of Conder International, which is currently seeking to increase its already notable exports by recruiting two new sales managers to promote the group's steel-framed buildings.

One will be responsible for sales in Western Europe with the exceptions of France and Spain where there are licensees. The other will be covering West Africa.

Both will be based at Winchester, and be supported by their own teams of two or three representatives plus an administrator. A need for extensive travel almost goes without saying. Responsibility will be to Jack Bayley, the sales director of Conder Exports.

The aim—according to David Hiscock, the overseas marketing manager—will be to extend the sales of the buildings beyond industrial uses such as warehouses, factories and aircraft hangars, to schools, hospitals, military barracks and so on. Ability to negotiate at a high level with governmental as well as business concerns will therefore be needed.

"They've got to go straight in and do the job," Mr. Hiscock

adds, "so candidates will have to know the exporting field—shipping procedures, ECGD and export insurance generally, and the appropriate bits of international law. The best background obviously seems to be export sales management already, preferably in capital goods." Age range is a stretchable 30-45.

The Western Europe manager will need either French or German, or better still both. The recruit for West Africa is likely to be fluent in French.

The salary indication is around £8,000 plus the group's normal profit-sharing arrangements. Perks include a car.

Written applications, outlining relevant qualifications, to Bill Barnes, personnel manager of Conder Exports, at 16 City Road, Winchester, Hampshire.

Engineers

ONE of the more promising ideas for getting industry and education to co-operate with rather than just castigate, one another is the teaching company—which uses industrial concerns for the later training of engineers in much the same way as medical schools use hospitals.

One of about seven which have been set up so far, jointly financed by the Science

Research Council and the Department of Industry, involves links between University and plants of GEC Switchgear in Manchester and Stafford. Its next 18-month training period is due to start this autumn, and Professor Alex Chisholm of Salford is now seeking four or five suitable students.

"We normally start with a short, tough introductory course about current problems in British manufacturing," he says, "and then they go to work on a particular project in the company which it views as a matter of high priority." An example is the reorganisation of part of a factory to cope with a new product range.

"We designate senior people both from here and in the company to provide them with high-level support, and each week they spend time in studies which we provide in conjunction with the University of Manchester Institute of Science and Technology.

"The idea is to continue their general education with reference to manufacturing industry's role in society, and we include tuition in finance, accounting, industrial relations and so on. It's very much a partnership because industrial managers contribute to the study elements and, as well as preparing the

students for manufacturing the meantime telephoned in-queries can be made to Norman Green or Julian Taylor in the university's Department of Aeronautical and Mechanical Engineering; the number is 061-738 5843. Printed information and application forms are available from the Registrar, University of Salford, M5 4WT. The candidates' list will close on July 3.

Accountant

A RECENTLY qualified chartered accountant is being sought by the Professional and Executive Recruitment Agency for the job of controller of accounting systems throughout the Celcon group, which manufactures concrete blocks and bricks, some of them decorative. Turnover is at present about £10m.

London-based, the recruit will be responsible directly to the financial director for the following tasks: submitting to the Board designs for new systems; amending existing ones as needed; monitoring those in operation by means of internal audit; writing reports and undertaking investigations as required by managers; and doing some work in connection with the Prices Commission.

The pay ranges from a rate of £4,190 at the older end to £2,904 at the younger.

Professor Chisholm is in Denmark until Monday, but in

Two-way code

Finally I am happy to report that the Institute of Personnel Management is interested in developing, and perhaps eventually sponsoring, the Jobs Column's proposed two-way code of good recruiting practice. "Measures which promote considerable behaviour by employers and consultants on the one hand, and by job candidates on the other, mean good business for all concerned," says the IPM's director, Bernard Dixon (no relation).

"I'd say that, as an institute, we think that the Jobs Column has clearly identified a need here, and that the time is ripe for a two-way charter," says Bob Fleeman, the IPM's vice-president for payment and employment conditions.

So they are now going to draft their proposals for the charter, and I will do the same (sensible suggestions from readers would still be welcome). Further news in due course.

E.M.A.
MANAGER OF FINANCE
Kuwait Up to £24,000 p.a. tax free & car & housing.
Our client is a major commercial bank engaged in the whole range of commercial banking activities in Kuwait. The operation is extremely successful and is expanding rapidly.
Reporting to the general manager, the manager of finance will be responsible for setting up effective reporting systems and running a large accounting function at the bank and its branches, and will be involved, as a member of the top management team, in planning and monitoring proposed new activities, including computerisation of the bank.
Aged 33-45, the successful candidate will be the controller or No. 2 in a medium or large bank, and, while preference will be given to graduates, the essential requirement is for a qualified accountant with at least five years accounting experience in a major bank.
Applicants should telephone or write to David Hogg, ACA, quoting reference I/1515.
E.M.A. Management Personnel Ltd.
Burne House, 88/89 High Holborn
London, WC1V 6LR.
01-242 7773

MERCHANT BANKING
Baring Brothers & Co., Limited
TRUST ADMINISTRATOR
Baring Brothers & Co., Limited are seeking a young person for their Trustee Department. Applicants should be in their middle-twenties, and have had five years experience in a major Trustee Department with satisfactory experience as a Trust Administrator. Desirable qualifications include Institute of Bankers Trustee Diploma.
The successful applicant will, after an initial introductory period, be expected to deal with new Executorships and all aspects of the general administration of the department's existing trusts.
In addition, that person will be encouraged to take an interest in investment aspects of the job.
A competitive salary and other benefits are offered. Applications giving details of education and experience should be sent to:—
Miss E. Williams,
Baring Brothers & Co., Limited,
88 Leadenhall Street,
LONDON EC3A 3DT

Young Managing Director Steel
c.£15,000+profits
This is an unusual entrepreneurial opportunity for a young (probably late 30's), capable general manager to take over the senior position in a private company employing c.100 with a turnover of £3-25 million.
The business is profitable in a cyclically depressed field and there are significant plans for future expansion. The base is London.
We want to meet men or women with appropriate management experience and a background in marketing steel products, preferably in the construction, wire or stockholding fields.
Contact John Stork in confidence with personal, career and salary details quoting reference SKK. We can then discuss possibilities.
John Stork & Partners
International Management Consultants
7-8 Market Place, London W1N 7AG
Telephone 01-580 4907

Accountant Financial Analyst
City of London c £7,500
Our Client, an established American Bank, seeks to make a new appointment to assist in the accounting and financial analysis of its London operations.
The successful candidate, man or woman, will be responsible to the Assistant General Manager for advice on accounting matters including professional accounting regulations, monthly computerised accounting variances and budgets and yield and interest analysis.
Candidates will ideally be aged 30-40, professionally qualified with experience of liaison with an American parent group.
Please write in confidence stating how requirements are met to R. J. Mooney quoting reference M881.

AMS Arthur Young Management Services, Rolls House, 7 Rolls Buildings, Fetter Lane, London EC4A 1NL

Taxation Manager
City Five figure salary
For the London branch of one of the United States' largest banks. This new appointment, reporting to headquarters in New York, will carry complete responsibility for the U.K. tax affairs and will later extend to oversight of tax aspects of the bank's branch activities in Europe.
Suitable candidates, male or female, probably in their 30's, will be qualified accountants or have reached inspector level in the Inland Revenue. They must have thorough experience of dealing with the tax affairs of large companies. A knowledge of U.S. taxation would be helpful.
Write in confidence, quoting reference 3263/L to: M.J.H. Conroy,
Peat, Marwick, Mitchell & Co., Management Consultants, 11 Ironmonger Lane, London, EC2V 8AX.

Financial Controller
c. FF 110,000 France
A British quoted, leading consumer goods company, rapidly expanding on the continent, needs a controller for its Northern France operations. Reporting to the European MD, the responsibilities will encompass the total accounting function as well as some involvement in other management activities of this key subsidiary.
Applicants should be in the upper twenties, qualified accountants and be able to speak fluent French and English. A period in consultancy or insurance auditing is desirable but not essential. Prospect of an open wide European role are excellent.
Write in confidence, enclosing a full CV, giving your telephone number and quoting ref. F7/184 to Brian Withers
GRS
Gerrard Recruitment Service
10 Argyll Street, London W1V 2BQ.

Financial Controller
City of London £10,000+
Our client, a major U.S. International Financial Corporation, seeks to make a new appointment of a Financial Controller to assist the profit optimisation and accounting control of its expanding commercial and leasing services.
In addition to controlling the central accounting function, the person appointed will be responsible to the Managing Director for the improvement of top management information reporting both locally and to New York.
Qualified accountants aged 28-35, preferably with first hand knowledge of financial reporting and accounting practices in London, can expect a salary, pension, mortgage and other benefits commensurate with those at a leading financial institution. Upon employment, the successful candidate will be required to spend several weeks in their New York international headquarters.
Applicants, men or women, should write in strict confidence stating how the requirements are met to R. J. Mooney quoting reference: M882.
AMS Arthur Young Management Services, Rolls House, 7, Rolls Buildings, Fetter Lane, London EC4A 1NL. Tel: 01-831 7130

Divisional Managing Director
Department Stores—Australia
The Myer Emporium Ltd., Australia's largest departmental store group, is seeking a Managing Director for one of its multi-store divisions with sales of around A\$90 million (£60 million).
Candidates should have a complete and thorough experience in both buying and selling. Executive management experience at top level with full profit responsibility is essential. Age should be between mid 30's and late 40's.
Total salary and bonus will range up to A\$60,000 (£40,000). Fringe benefits will be appropriate to the position. The top candidate, accompanied by spouse if desired, will be interviewed in Australia at company expense.
Please write—in confidence—to J. M. Ward ref. B41319.
MSL Management Consultants
Management Selection Limited
17 Stratton Street London W1X 6DB

Develop your trading expertise in a different market Middle East
This will not be your first job and, although aged under 30, you will have already proved that you have the mental agility, judgement and stamina of the successful dealer—be it in banking, commodities or some other market place activity. You will probably be educated to degree level and you will certainly have devoted some time to studying the underlying principles relating to international affairs, trade and economics. The opportunity we are now offering is to develop your expertise in the foreign exchange and Eurocurrency markets. You will be joining a very experienced Treasury Group in one of the world's largest international banks, within our Middle East organisation.
Write, describing briefly how your background meets our needs and giving details of your education, career to date and remuneration, to: Edward W. Clark, Recruitment and Manpower Planning Officer, Citibank NA, Citibank House, 336 Strand, London WC2R 1HB.
CITIBANK

كندا والولايات المتحدة

Credit Analysts

City **£5,000 to £8,000**
International Banking

Our Client, a prominent International Bank, seeks two Analysts, one at senior level, the other more junior, to join its active Credit Department. Candidates must have relevant banking experience including a thorough training in analytical techniques. They will be expected to produce high quality research material with a minimum of supervision, and to have the personal qualities necessary for a position which involves a degree of client contact.

These positions will appeal to candidates wishing to develop their credit knowledge in a small but energetic team environment where prospects exist for a future career in loan portfolio management.

Contact **A. J. Tucker, M.A., A.I.B.**, in absolute confidence on 01-405 3499.

Lloyd Management

125 High Holborn London WC1V 6QA

Group Taxation

£8,000 - £10,000 ACA, ACCA, LLB, MBA

The Legal Department of Phillips Petroleum Company Europe Africa is seeking a tax specialist for its tax group. The expanding interests of the Phillips Group will be of particular value to an individual with highly developed specialist knowledge of the United Kingdom taxation. Reporting to Tax Counsel with direct access to the Senior Vice President - General Counsel, he or she would be mainly responsible for work with Tax Counsel in conjunction with headquarters departments and operating companies, anticipating and identifying tax problems and the initiation and execution of proper solutions. There would also be considerable involvement in other country tax systems through work on international tax problems. Candidates should be tax

specialists whose responsible business experience has been of similar UK or international application. You should be the type of person who will be stimulated by challenging work and be able to make a positive contribution to the Phillips Group tax planning and implementation. An applicant having the qualities and ability we are seeking is likely to be able to command a salary of at least £8,000.

Please telephone for an application form or send comprehensive cv. showing career and salary progression to: Mr. D. Gosling, Manager - Recruitment and Employee Development, Phillips Petroleum Company Europe-Africa, Portland House, Stag Place, London SW1E 5DA. Tel: 01-828 9766, ext. 465.



COMPUTER SERVICES DIRECTOR

City/Hampshire **c. £10,000**

Leslie & Godwin (Holdings) Ltd., a substantial public group engaged in insurance broking and related activities, wishes to appoint a mature and experienced computer professional to direct the operation and development of its data processing facilities.

Extensive use is already made of in-house and external computer services and a strategy is now being formulated for the further development of machines and systems. The two major technical and administrative offices are located in the City and at Farnborough, Hants.

The Group Computer Services Director will assume full responsibility for the provision of computer services to management and to the technical and operating departments. He/she will be expected to establish the operating priorities of the group and ensure that they are met. He/she will report to the Group Financial Director.

The successful applicant will have held a senior management position in an organisation making extensive use of computers and should have had significant experience of the insurance market, preferably broking. A five figure salary is envisaged together with a company car and other benefits commensurate with the seniority of this appointment.

Please write with full details of your career to date to **G. C. Child, Aunan Impey Morish, Management Consultants, 40H3 Chancery Lane, London, WC2A 1JF** quoting reference C1293.



Unicorn Industries

Group Personnel Co-ordinator

This strongly decentralised Group which is co-ordinated from a small Head Office in Windsor, is a world leader in the technology of hard materials and abrasives. It has plants in some nineteen countries, and has a vacancy at the Centre for a man or woman to take responsibility for co-ordinating personnel and labour relations throughout the Group, but particularly in the U.K.

The suitable candidate will need to be in sympathy with the strong general management orientation of the Group and realise that the job is to ensure that the individual Divisions and Companies have appropriate policies and are developing them in a sensible way for their local reasons, but will need to ensure that such local developments do not clash with the overall personnel and labour relations policy of the Group.

The successful candidate will need to have demonstrated an ability to cover or understand all aspects of personnel and human relations management and to be a realist.

Given the requirements mentioned earlier, we have no fixed ideas on age or previous background. We offer a sensible salary; the usual fringe benefits associated with a large company; and a location at Windsor, Berkshire.



Please apply in writing to: **Dr. Terence Flitcroft, Group Chief Executive,**

Unicorn Industries Limited
Castle Hill House, WINDSOR, Berks. SL4 1LY.

GROUP FINANCIAL DIRECTOR

Public Company - Light Engineering

A quoted group of companies in the engineering industry with a turnover of £35 million is appointing a Financial Director to take charge of financial and decentralised accounting management and to join the small policy planning team at the headquarters in Yorkshire. Candidates, aged 35 to 45, will be chartered accountants who currently have responsibilities of a similar seniority with a company of this size or with a division of a much larger group in a batch manufacturing environment. Applications are invited from men or women who meet these requirements and whose current earnings are in 5 figures. Salary and other benefits will be negotiable and reflect the standing of the appointment. Please write in confidence with brief career details to **A. P. Rait**, as adviser to the company, at Room 17, Terminal House, 52 Grosvenor Gardens, London SW1W 0AU.

SELECTION • THOMSON

Group Financial Controller

Central London **to £12,000 plus car**

Some 5 years ago our clients embarked on an expansion programme to develop from a well-established base into a diverse, leisure oriented Group. This programme has been highly successful to the point where the Group now operates through several divisions, has over 5000 employees and generates pre-tax profits in excess of £10,000,000. Future plans and substantial liquid funds should ensure that this dynamic growth is sustained both in the U.K. and abroad. To reflect and anticipate these developments the Group Headquarters is being re-structured to ensure that the Board is provided with timely and accurate information on divisional activities and to provide a centre of competence on accounting standards and practice. The Group Financial Controller will be responsible to the Financial Director for these tasks, managing a small, well-qualified central team and developing strong functional relationships with Divisional Controllers. Applicants must be Chartered Accountants, aged mid 30's, with experience of controlling fast-moving service based, operations. REF: 709, FT Apply to **R. A. PHILLIPS, ACIS, FCII, 2-4 King Street, St. James', London, SW1Y 6QL. Tel: 01 930 9982.**

Phillips & Carpenter

Selection Consultants

ANALYST

A vacancy exists for an analyst with one or two years' experience to join an established team specialising in fundamental research into specific industries and companies for institutional clients. The successful applicant will in time be expected to assume responsibility for part of the existing research coverage. A degree or professional qualification would be an advantage. An ability to formulate and express investment ideas is essential.

Apply in writing to: **HENRY COOKE, LUNSDEN & CO.,** 4 Horseman Road, Fosse Way Industrial Park, Northampton, NN4 2AH.

EXPERIENCED SALES ENGINEER

Required for U.K. branch of **AMERICAN IMPORT/EXPORT TOOLS COMPANY**

Must have sound engineering background and experience in sales.

Apply to: **Tootlex Corporation U.K.,** 4 Horseman Road, Fosse Way Industrial Park, Northampton, NN4 2AH.

TRUST OFFICERS - CANADA

DO YOU WANT: Job responsibility commensurate with skills and abilities; input to your own career; Opportunity to express ideas and suggestions; Opportunity to demonstrate flexibility, adaptability?

If so, Canada Permanent Trust offers Trust Officers positions that will fully meet these expectations.

Additionally, there is appropriate support and exciting new uses of technology. Salary is in the range of £8,850 p.a. The Company offers a generous Benefits Package and substantial support in your resettlement.

Minimum required qualifications are either the Institute of Bankers' Trustee Diploma or a Law Degree, together with two years' practical experience of Estate or Trust Administration.

To arrange an initial interview, please apply in strict confidence, giving details of your career and experience to date and quoting Ref. F16.



CANADA PERMANENT TRUST COMPANY
TRUST OFFICER RECRUITMENT
39 GEORGE STREET
MANCHESTER 1

the Permanent

Jonathan Wren Banking Appointments

The personnel consultancy dealing exclusively with the banking profession.

BRANCH ACCOUNTANT

c. £8,500
An international bank seeks a qualified accountant aged 27-30 years with previous banking experience. Ideally with a U.S. bank. Applicants will have had experience of Eurocurrency accounting, management accounts, corporation tax and capable of implementing a computerised accounting system. The position offers good prospects for promotion in approximately three years. Contact: **Michael Pope**

FINANCE REPRESENTATIVE

c. £8,000
We currently have vacancies throughout the U.K. with national finance companies for representatives aged in their twenties to early thirties. Applicants should have at least two years previous experience with a national finance company, be well presented and have a pleasing personality. Good working salaries plus fringe benefits will be negotiable according to experience. Contact: **Michael Pope**

CREDIT ANALYST

to £5,750
We currently have several vacancies with major international banks for Credit Analysts aged in their twenties with a minimum of eighteen months experience in analysing multinational corporation accounts and writing credit reports. A knowledge of one or more foreign languages would be advantageous but not essential. These opportunities offer good prospects for advancement to the marketing areas in the early future. Contact: **Michael Pope**

SNR FOREIGN EXCHANGE BROKER

c. £20,000
An international firm of money brokers wish to appoint a Senior Foreign Exchange Broker aged 25+ to their Middle East office. Applicants will have at least five years trading experience covering both exchange and deposits. An attractive salary and good fringe benefits will be offered according to experience. Contact: **Michael Pope**

Jonathan Wren & Co Ltd. 170 Bishopsgate, London EC2M 4LX 01-623 5051

MONEY MARKET MANAGER

Abu Dhabi

Banco Urquijo, the largest Industrial Bank in Spain, is opening its branch in Abu Dhabi in September. It is the only Spanish Bank licensed to operate in the United Arab Emirates and the branch will play a significant role in the Bank's rapidly expanding international programme.

An experienced Money Market Manager is required who will be responsible for all Foreign Exchange and Funding in a market which is young but very active. This is a key appointment in the management team.

Candidates must have in depth experience of the London markets, plus the maturity and personality needed to develop the position from scratch.

A substantial tax free salary is offered, plus free housing and other benefits normal to the area.

Please write in complete confidence to **Ian H. D. Odgers**

Odgers

MANAGEMENT CONSULTANTS

Odgers and Co. Ltd., Adelaide House, London Bridge, London EC4R 9DS Telephone: 01-626 1086

Bank Hapoalim Manchester

We will soon open, in addition to our 2 branches in London, a new branch in Manchester offering local, national and international services.

We need two dynamic, professional people.

Chief Clerk

This is a very responsible position needing a self-motivating person with the ability and experience to take responsibility for the day-to-day running of the branch. This person will probably already be a chief clerk with banking experience, but we will also consider applications from persons close to this position and now ready to make a major step forward.

It is essential that applicants have thorough knowledge of Book-keeping, Credits, Foreign Exchange Regulations and preferably Documentary Letters of Credit.

The salary will relate to experience and is accompanied by fringe benefits.

Please reply in writing to the London West End Branch, with a Curriculum Vitae that gives full details of your education, experience, present salary and telephone number. Mark the envelope "Manchester Chief Clerk".

Interviews will be held in Manchester.

Secretary to Manager

This is a demanding but varied and interesting position. Fast, accurate shorthand and typing will be essential, but excellent command of the English language, presence and self-confidence are just as important, since you will be required to deal efficiently with people of very high status.

Please reply in writing to the London West End Branch, giving full details of your education, experience, current salary and telephone number. Mark the envelope "Manchester Secretary".

Interviews will be held in Manchester.

8/12 Brook Street, London W1Y 1AA. **Bank Hapoalim**

Group Financial Director

(Designate)

South of England

Around £12,500 + Car

Our client, an independent, quoted, light engineering and electronic group, wish to appoint a Chartered Accountant as Company Secretary/Financial Director Designate to act as financial adviser to the Board and financial controller of the Group. There is considerable scope to affect profitability and operating efficiency in a number of operating subsidiaries.

Applicants should be Chartered Accountants aged 30-40 with sound experience at Controller level, preferably gained in a light engineering/electronics environment who possess the ability and personal commitment to get results in a number of businesses ranging in both activity and size.

The remuneration package will be augmented by relocation costs where necessary.

Candidates should write to **John Couris & Partners Ltd., Selection Consultants, 78 Wigmore Street, London W1H 9DQ,** demonstrating their relevance briefly but explicitly and quoting reference 794/FT.

JO&P

Project Management Director Designate c.£12,000

Good trading results in 1976, a full order book, plans for expansion into the eighties and a strong successful management team combine to make this an attractive prospect.

Your task will be to plan and co-ordinate the commissioning of a new factory. This will involve negotiating over a wide range of activities. Thus your record should show success in this area. Also experience of production (light engineering products) or purchasing would be useful. But primarily you will be a person of high administrative ability and a businessman capable of both economic assessment and practical follow-through of a new enterprise. Graduate. Age 30-45. London based. Frequent overseas travel. Package includes car.

Please apply in confidence, giving full personal and career details, quoting reference to: 998/58/FF

Robert Lee International

24 BERKELEY SQUARE, LONDON W1X 6AR.

John Smith

City Dealers

Have you imagination, enthusiasm and the ability to communicate knowledgeably with professionals in your field of activity?

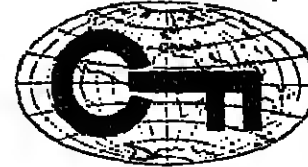
Have you the confidence to make the change and accept the challenge of joining an expanding team of sterling money brokers?

Have you the ambition to earn an above average salary?

If you have these attributes and are aged 23-33, write with full details of your City experience, or telephone Hugh Davies, Managing Director, Fulton Packshaw Ltd., 34-40 Ludgate Hill, EC4M 7JT. Tel. No. 248 3242.

FULTON PACKSHAW LTD

Fulton Packshaw Ltd. is the sterling broking subsidiary of Charles Fulton & Co. Ltd., one of the largest firms of international money market brokers.



Overseas Business Development Director

A London client of exceptional standing is seeking a high calibre executive to direct an extensive development of business overseas. The resources available are very considerable.

Applicants for this demanding post must be sophisticated in all types of overseas operations including export, local marketing and/or manufacturing, joint ventures, licensing arrangements, and the various alternatives for association or partnership with national interests.

The requisite degree of personal authority, 'political' skill and commercial expertise is unlikely to be found in anyone much under 40; the upper age limit is 50. Linguistic ability is essential.

Salary arrangements are for discussion, in five figures, with appropriate benefits.

Please reply, in absolute confidence, to Peter Bingham & Partners, Personnel Consultants, 9 Curzon Street London W1Y 2FL, giving full personal and career details.

Peter Bingham & Partners

Project Manager/ess Business Information Services

LONDON

c. £7,000

EXTEL is looking for a manager to work on the development of its interests in new business information services, including the extension of our present range of financial and sporting services into VIEWDATA. This is a new appointment reporting to the Financial Services Manager and has potential both in terms of interest and advancement.

Applicants are likely to have a consultancy background with a relevant degree or similar qualification. They should demonstrate a firm grasp of information dissemination techniques and a marketing ability. At least two years in a communications/computer environment with project responsibility is required.

Salary is negotiable around £7,000 and will depend on experience. Please write, giving full details of experience, to:



Group Personnel Manager, The Exchange Telegraph Company Ltd., Extel House, East Harding Street, London EC4A 4BB.

THE NIGERIAN SECURITY PRINTING & MINTING COMPANY has a vacancy for an

Internal Auditor

at its Head Office and factory in Lagos.

Applications are invited from Nigerian citizens who are qualified accountants with a minimum of five years' post-qualification experience.

This post offers excellent career opportunities and the successful applicant and his immediate family (where applicable) will be given free passage to Lagos. The position offers an excellent salary, housing and car

allowances and free medical treatment.

Interviews will be held in Basingstoke on June 28th and 29th 1977.

Please write giving full career details to:

Mr. K. B. Knox, Divisional Personnel Controller, Thomas De La Rue and Company Limited, P.O. Box 10, BASINGSTOKE, Hampshire.

COMMERCIAL EXECUTIVE

required by Davy-Loewy

We are one of the world's leading designers and builders of heavy plant (steel and non-ferrous forming, particularly rolling mills and presses) for the metals industry with current contracts worth over £140 million. Our Headquarters and engineering workshops are located in Sheffield, on the doorstep to the Peak District National Park.

The main Commercial Executive functions are:-

1. The negotiation of contracts.
2. The arrangement of credit facilities with banks, institutions and clients.
3. Advising Davy-Loewy product divisions on these matters.

Candidates, either male or female, should have at least five years relevant experience, ideally in the supply of heavy industrial plant, both for the home and export markets. They should be able to formulate contractual documents and negotiate at all levels. A legal/financial qualification or background is essential; fluency in a second European language is desirable.

Overseas travel is involved. An attractive package of employment conditions is offered including a competitive salary commensurate with the responsibilities involved. Where appropriate generous relocation assistance will be given.

Applications giving relevant career details should be addressed to:-

The Personnel Manager, Davy-Loewy Limited, Prince of Wales Rd, Sheffield S9 4EX.



STOCKBROKING INVESTMENT TRUST DEPARTMENT

Leading International Stockbrokers wish to recruit an individual to lead the marketing function of their Investment Trust Department.

The successful candidate will have a substantial and up to date knowledge of Investment Trust shares, although this may not have been acquired in a stockbroking environment.

Prospects are outstanding, and remuneration will be commensurate with experience and ability.

Applications will be forwarded direct to our client. If there are any firms to whom you do not wish to apply, please state these in a covering letter.

Please send a detailed career résumé, quoting ref. 865, to:

W. L. Tait, Tonche Ross & Co. Management Consultants, 4 London Wall Buildings, London EC2M 5UJ, Tel: 01-588 6644

APPOINTMENT ADVERTISING RATE £11.50 PER SINGLE COLUMN CENTIMETRE

Accountant

c £6,000

An accountant is required for the insurance subsidiaries within the Alexander Howden Group of Companies.

Reporting to the Deputy Chief Accountant the job involves the preparation of insurance accounts, report and statutory insurance returns.

The successful applicant will be aged under 30, preferably qualified by a finalist and insurance accounting experience would be an asset.

Benefits include L.V.s, free life, permanent health and medical expenses schemes together with a contributory pension.

Please write with full details to Mrs. S. R. Gilbert, Alexander Howden Group Ltd., Bankside House, 107-112 Leadenhall Street, London, E.C.3.

Alexander Howden Group Limited

J.F.L. CITY OFFICE

7 Gresham Street, E.C.2.

247 1388

Stockbroker: Trainee Stockbroker, well educated, graduate level + some experience. £2,500 plus. Banker: Good all-rounder in early 20's for supervisory position in small consortium bank. £4,500. Personnel: Personnel professional for Merchant Bank. Job evaluation and salary admin. £2,500. Actuarial Work: Student finalist with good experience in a Life Office. Career prospects excellent. £4,500. Accountancy Assistant to Partnership Accountant for firm of Commercial Law. Experience more important than qualifications. £2,000.

Ring or write to Patrice Ware Judy Farquharson Ltd., City Office

MICHAEL PAGE PARTNERSHIP

Our client, is one of the world's largest multinational oil and chemical companies. Due to continued expansion and internal promotions the following opportunities for accountants have arisen:

INTERNATIONAL AUDITORS—OVERSEAS

Chartered Accountants (age 25/30), with experience gained in an international professional practice. A university degree and a second language would be an advantage although not essential. Assignments, covering worldwide operations, will be exclusively outside the U.K. but are suitable for persons of both single and married status.

ACCOUNTANTS—U.K.

Newly qualified and finalist accountants (age 23/37) with first class general accounting experience. Based at Central London Head Quarters. Initial assignments will be within the rapidly expanding exploration and production division.

These openings offer an outstanding opportunity for the "above average" accountant who seeks a challenging position where the rewards and career prospects can be exceptional.

THE MICHAEL PAGE PARTNERSHIP
9 Clifton Road, Maida Vale, London W9 1SZ
Telephone 01-286 7388/9 01-289 2474



Group Accountant

City

c. £7,500 + car

For a public group with diversified interests, principally in textiles and engineering; turnover exceeding £20m.

The person appointed will be a member of the small headquarters staff and responsible to the finance director for the preparation of the published accounts, budgets and forecasts, and for the critical review and consolidation of monthly accounts and management reports. There will also be some company secretarial work and special investigations.

Suitable candidates will be qualified accountants - preferably chartered - and probably in their 30's. They must have the personality and technical competence to gain acceptance by colleagues and operating company management.

Write in confidence, quoting reference 1262/L to: M. J. H. Conry,

Peat, Marwick, Mitchell & Co., Management Consultants, 11 Ironmonger Lane, London, EC2V 6AN.

ACCOUNTS CLERK

REQUIRED FOR LEADING FOREIGN BANK IN LONDON

Experience of Bank of England returns essential and of Head Office returns, Foreign Exchange settlements, calculation of monthly profit and loss, etc, an advantage.

Applicants should have at least Part I of A.L.B. Age probably 23-30 years and salary in range £3,000-£4,000 p.a. depending on age and experience.

Usual additional benefits and good working conditions.

Apply initially to:

Miss V. Graham on 01-588 0181

Leopold Joseph & Sons Ltd.

The executive directors of this Merchant Bank are creating a new position for a personal assistant who will have the following qualifications:-

- a) Legal experience in company and tax law (preferably qualified in a City firm of solicitors).
- b) The ability to work closely with the Bank's legal advisers.
- c) Age between 27 and 35.

Salary and other conditions will be adequate to attract candidates of the required high quality.

Replies should be addressed to: Sir Hugh Weeks, Chairman, Leopold Joseph & Sons Limited, 31-45, Gresham Street, London, EC2V 7EA; and marked "Confidential Application."

North Sea oil boosts export figures

THE GROWTH of the domestic economy is still "hesitant," with the current account of the balance of payments about the only undoubtedly bright feature, according to the economic commentary in today's Bank of England Quarterly Bulletin.

This points out the slow world economic growth in recent quarters has not been favourable to an expansion of U.K. output. Overseas governments had remained cautious about expanding demand for fear of rekindling inflation. While there had already been an acceleration in consumer prices, wage settlements so far this year had been either much the same as in 1976 or slightly lower.

Against this world background, the rate of growth of export volume had been held back, although the U.K. share in overseas markets had probably increased in recent months. "The volume of exports is expected to rise fairly strongly in the next year or so, but perhaps not all that much faster than imports and the net increase in demand for domestic output could be quite small."

Although the trend in trade other than in oil was less favourable, the increase in North Sea production was making a large impact with the result that "the current account has now moved into surplus where it should remain for a considerable time (apart from monthly fluctuations)."

The Bank estimates that North Sea oil production should rise from 11.5m. tonnes in 1976 to between 40m. and 45m. this year—equivalent to about half of domestic requirements by the end of the year. The benefit to the visible balance from oil should rise from \$650m. last year to between \$2.5bn. and \$3.5bn. in 1977. The visible benefit was \$480m. in the

first quarter. North Sea oil is expected to be a strong influence on the future growth rates of Gross Domestic Product and industrial production. The Bulletin suggests that total demand was unlikely to be buoyant in the months ahead. Discussing the large stockbuilding by private industry in the first quarter—the Bank maintains that while some may have been involuntary, the rise in stocks of raw materials and work in progress might indicate a modest improvement in business confidence.

The possibility that the economy may be more buoyant than most indicators suggest is also raised in connection with the stability of unemployment in recent months and the rise in notified vacancies since "the Government's job-creating schemes can provide only part of the explanation."

The Bank notes that "it may also be that the length and severity of the recession have altered the previous relationship between output and employment; and low investment in recent years may have slowed down the long-term rate of growth of productivity."

Labour productivity in the U.K. has improved only slightly since 1973, suggesting that employment may have been kept abnormally high. Employment in manufacturing industry has risen a little since the middle of last year, perhaps indicating that companies planned for a higher level of demand than in fact occurred—the large increase in stockbuilding in the first quarter lending some support to this view.

"An improvement in companies' financial positions—partly associated with a decline in the real cost of holding labour, as prices continued to rise faster than wages—may also have

prompted companies to retain labour, or to go on using old plant requiring more labour than modern equipment. Another shake-out of labour might still take place, particularly if wage rates were to rise much faster than prices later in the year."

In a discussion of inflation, the commentary points out that higher import costs (mainly reflecting the fall in sterling) can be identified with more than 40 per cent. of the increase in final prices in the second half of last year—almost twice as much as can be directly associated with higher labour costs, which had their largest direct effect in the year to mid-1976.

The Bank argues that if the exchange rates remain stable and wage inflation does not accelerate, prices should—after a period—begin to rise more slowly.

The Bulletin says that real personal disposable incomes fell by more than 4.5 per cent. in the first quarter, after a fall of 3 per cent. in the fourth quarter of 1976. It is estimated that the personal savings ratio, which fell by almost four percentage points to about 11.5 per cent. in the fourth quarter, recovered to about 12.5 per cent. in the first quarter.

The decline in both real personal disposable incomes and in consumer expenditure is likely to be checked in the second half of this year, particularly if the Chancellor is able to implement the conditional tax cuts announced in the Budget.

The commentary also notes the recovery in company profits in money terms last year (especially in the fourth quarter), but the share of profits in domestic income was much the same as in 1975. Moreover, about a fifth of the increase in profits was attributable to a relatively small number of companies with interests in North Sea oil.

Advertising and Agencies and the 'fair list'

BY ALAN PIKE

from Saturday be at the centre of a renewed campaign to ensure that all art work is carried out by trade union firms.

This week copies of a "fair list" of approved firms have been going out to members of the National Graphical Association and SLADE, the process agency union. So have some agency labels which will be used to chart the progress of a job and ensure that it does not come into contact with non-union labour at any stage.

Leaders of SLADE, which is regarded with a mixture of hatred and fear in the advertising industry, have been campaigning to recruit agency staff last year. They have told members of art studios, photo-engraving, gravure and litho houses that from Saturday they must check on the origins of all work they receive.

The union says: "The joint SLADE-NGA labels have been designed to accommodate work being completed in stages by a number of firms—for instance, work may originate first within a studio, then go on for reproduction within a printing establishment. At each stage, the union will check by means of the trade union label where the work has come from, and they will also check on the next stage. The aim of the exercise is to ensure there is a full control against non-union work slipping through the net and being reproduced or printed."

Firms on the fair list have each been given a number by which their work will be identified. Those not on the list—and Mr. Alf Parkes, assistant general secretary of SLADE, admits that they include many of the large London agencies—risk having their material blacked.

Last year the NGA imposed its own ban on work from unrecognised sources which caused a bout of serious disruption in the provincial newspaper field, but the interpretation of the ban at local level also led the NGA and SLADE into conflict with each other.

J. WALTER THOMPSON has the same name and connotations as the world's largest advertising agency.

They are the three present executive directors—Chuck Anderson, Tom Stewart and Bruce Abrahamson—plus Keith Richards (media director), Mike Harrison (creative director), John Taylor (finance director) and Sue Molinax (creative supervisor).

The agency, with billings of £20m. and a staff of 30, will retain its subsidiary, now becomes

Stability of pound 'should help to reduce inflation' 'Low profits could seriously harm long-run prospects'

THE OFFICIAL policy of intervening in the foreign exchange markets to keep sterling at around \$1.72, both in the period earlier this year when it was tending to rise and more recently when at certain times it has been under pressure, is confirmed and explained in the Bulletin.

The Bank comments that much of the upward pressure after November was the result of repayment of current loans to finance third-country trade banned in November—which is now estimated to have brought in a once-for-all total of about £1bn. The unwinding of leads and lags was probably also a factor.

"Rather than allow a short-term appreciation of the rate that was liable to be reversed when such inflows came to an end, the authorities preferred to aim for stability at around \$1.72."

This stability, it is recognised, has partly eroded the U.K.'s price-competitiveness, which had been expected to be favourable last autumn. But it "should help towards a sustained reduction in the pace of inflation."

The intention remains as set out in the letter of intent to the IMF "to ensure that U.K. manufactured goods are competitive at home and abroad."

The Bank devotes much of its general assessment to an examination of current monetary policy. It considers the importance and effects of the establishment of published monetary targets and underlines the difficulties in maintaining a steady pattern of monetary movements.

This year, the Bank suggests, market sentiment may oscillate less than last year, and "a smoother path of monetary expansion may prove possible." Much will depend on price developments, the Bank comments.

The fall in interest rates this year "has probably reflected expectations of lower price inflation, and could be validated by a satisfactory prospect for wages." In the other hand, "the less satisfactory prospect might show that by May the market had over-reacted to improved expectations, and that an upward readjustment in interest rates was necessary."

If inflation continued unabated, this would harm the economy in a number of ways, including passing on a faster expansion that is needed. With rapid inflation, the more restrictive monetary conditions which would then develop—as a result of policies designed to keep to the published monetary targets—would tend to reduce the rate of real growth.

"The risk of this happening could be averted by a barrier to inflation. With an expected rate of monetary expansion of 9.13 per cent for the year, the rise in wage costs will need to be significantly below this 22bn. limit to leave room for real growth."

The Bank argues that the targets for the current financial year—a 9.13 per cent rise in sterling money supply on the wider definition (M3) consistent with the 22bn. limit on domestic credit expansion—could permit some rise in bank lending. An increase of this size

DCE AND THE MONEY STOCK (M3)

DCE was little changed in the three months to mid-April but sterling M3 and total M3 each rose, after declining in the previous three months.

	Apr. 77 Mid-month	Apr. 76 Unadjusted	July 76 Seasonally adjusted	Oct. 76 Seasonally adjusted	Jan. 77 Apr. 77
Central government borrowing requirement	+5,710	+1,950	+1,910	+1,030	+1,400
Net purchases (-) of central government debt by non-bank private sector	-6,070	-990	-1,120	-2,470	-1,090
Other public sector	+1,520	+440	+410	+620	-200
Bank lending in sterling to U.K. private sector and overseas	+3,060	+1,148	+1,310	+820	-180
Domestic credit expansion	+4,220	+2,540	+2,510	-400	-70
External and foreign currency finance	-800	-930	-890	+260	+740
Other	-720	-450	-200	-70	70
Sterling M3	+2,700	+1,140	+1,620	-340	+600
Percentage change in sterling M3	+ 7.1	+ 3.1	+ 4.2	- 0.9	+ 1.5
U.K. residents' foreign currency deposits	+1,200	+290	+590	-190	+510
Total M3	+3,900	+1,450	+2,210	-530	+1,110
Percentage change in total M3	+ 9.7	+ 3.4	+ 5.3	- 1.2	+ 2.4

* Other public sector borrowing requirement, less purchases of other public sector debt by the private sector (other than banks).
† Including commercial bills bought by the Bank Department of the Bank of England.

"should leave room for a slightly faster growth in bank lending to the private sector than in 1976-77, as a whole while the required amount of gilt-edged sales to domestic investors outside the banking system is likely to be much less than the record amount in the previous financial year."

The Bank draws attention to the heavy sales of gilt-edged securities, totalling more than £5bn. net in the three months to mid-January and another £400m. in the following three months. Sales of other forms of Government debt, including national savings, were also, unusually, large.

In the 12 months to mid-April, total purchases of all forms of Government debt outside the banking system amounted to slightly more than £5bn. These sales, coupled with a fall in bank lending to the private sector early this year, were important factors in the sharp slowing in the growth of the monetary aggregates in the latter months of the past financial year. As a result, domestic credit expansion was less than half the limit of £9bn. for the year, and sterling M3 rose by per cent. well under the target range.

The main element in the unexpected lack of growth in domestic credit, however, was the unexpectedly low turnout of the public sector borrowing requirement this year. This, the Bank points out, was as much as £3bn. less than forecast in the 1976 Budget and £2.5bn. below the forecast as recently as December during the negotiations with the International Monetary Fund.

Difficulties of forecasting of this kind, the Bank suggests, are one of the problems faced in

THE BANK of England takes a gloomy view in its general assessment of the prospects for industrial investment unless profits show a quick recovery.

"Continued low profitability could seriously damage longer-run prospects. Already the rate of investment has been low in recent years, and a continuation of low rates of return, perhaps combined with a relatively high cost of capital, could seriously discourage new investment," it says.

"Without an early move to higher profits, investment is therefore unlikely to be adequate to sustain a satisfactory rate of growth."

"A further period of rapid inflation would damage profits and investment both directly—by sustaining the present high cost of stock appreciation—and indirectly, by postponing the time when faster expansion (and the stimulus which this would give to investment) can be resumed."

Low return

This view is based on further work bringing up to date estimates of the profitability of companies and the cost of their capital. This shows a still lower rate of return in 1976 and 1977, as well as very little improvement in the margin between this return and the cost of capital.

"The recent trend in profitability has been improved by the growth in profits from North Sea oil operations and, in 1976, by the effect of sterling's depreciation on profits from exporting. For the rest of industry, the decline must have been even steeper."

The current rate of real return was on average about a third of what it was about 15 years ago. That partly reflected the impact of economic recession, which tended to reduce profitability—the U.K. is at a low point in the longest and most severe recession since the war. But it is less clear than most cycles that we can look forward to a quick and normal cyclical recovery."

The details of the latest work

standing rose from £22bn. to £5.9bn.

In addition, the Government drew on the International Monetary Fund's oil facilities, and official financing liabilities rose in total from £4.5bn. to £5.5bn.

The private sector, in contrast, showed an increase in its net assets of over £2.5bn. after a fall in 1974 and little change in 1975. Within the total, the value of net investments rose by £2.65bn. and net banking and commercial liabilities dropped by £800m.

standing rose from £22bn. to £5.9bn.

In addition, the Government drew on the International Monetary Fund's oil facilities, and official financing liabilities rose in total from £4.5bn. to £5.5bn.

The private sector, in contrast, showed an increase in its net assets of over £2.5bn. after a fall in 1974 and little change in 1975. Within the total, the value of net investments rose by £2.65bn. and net banking and commercial liabilities dropped by £800m.

standing rose from £22bn. to £5.9bn.

In addition, the Government drew on the International Monetary Fund's oil facilities, and official financing liabilities rose in total from £4.5bn. to £5.5bn.

The private sector, in contrast, showed an increase in its net assets of over £2.5bn. after a fall in 1974 and little change in 1975. Within the total, the value of net investments rose by £2.65bn. and net banking and commercial liabilities dropped by £800m.

standing rose from £22bn. to £5.9bn.

on profitability and cost of capital of industry and commercial companies are set out in a separate note, which highlights the discouraging outlook for a revival of fixed investment.

It concludes that "rates of return are still extremely low, with little prospect of any marked recovery in the near future."

At the same time, "the cost of capital, which until the early seventies moved broadly in line with the decline in rates of return, subsequently seems to have risen sharply (though it has almost certainly fallen in the early part of 1977)."

The Bank points out that some sectors, for example companies heavily engaged in exporting, may have been better placed while construction companies mainly concerned with domestic housebuilding would probably have been among the worst.

But "rates of return will need to recover appreciably before a rapid or sustained rise in investment by the sector as a whole becomes likely."

Eurocurrency market Page 28

There were some encouraging factors—gearing and cash flow both appear to be improving—both in the recent past much of the prospective improvement would accrue to the relatively small number of companies connected with North Sea oil development.

The new calculations have brought some revisions to the earlier figures. Rates of return are now shown to be rather higher than previously estimated. But real rates of return "are still shown to have declined appreciably throughout the sixties and early seventies, and the latest figures show a particularly sharp fall since 1973."

By past standards, the notes comments, the real pre-tax rate of return was already very low

put at \$9.5bn, a little higher than the revised quarterly average for 1976.

About \$2.2bn. was placed in the U.K. in the first quarter of this year, with the U.S. taking about \$5.5bn. a share of the total which was much higher than in the previous three months but close to the quarterly average for last year.

Deposits with banks in other countries probably continued to rise strongly in the first quarter. Special bilateral facilities and other investments, at \$2.25bn. were larger than in the previous three months, but the trend is still downwards.

ESTIMATED DEPLOYMENT OF OIL EXPORTERS' SURPLUSES

The total surplus in the first quarter is provisionally estimated to have been rather higher than in the fourth.

	1975 Year	1976 1st half	1976 3rd qtr.	1976 4th qtr.	1977 1st qtr.
United Kingdom					
British government stocks	0.4	0.2	0.1	—	0.1
Treasury bills	-0.9	-1.2	-0.8	-0.4	—
Sterling deposits	0.2	-1.4	-0.9	-0.3	-0.2
Other Sterling investments*	0.3	0.5	0.2	0.1	0.2
Foreign currency deposits	6.1	5.6	2.2	1.8	1.6
Other foreign currency borrowing	0.2	0.8	0.6	0.2	—
Total	4.3	4.5	1.4	1.4	1.7
United States					
Treasury bonds and notes	2.0	4.2	2.4	0.8	1.0
Treasury bills	0.5	-1.9	-0.5	-0.1	-1.4
Bank deposits	6.6	7.6	1.0	0.2	0.4
Other*	0.9	6.7	3.1	1.9	1.7
Total	10.0	11.5	7.0	2.8	1.7
Other countries					
Bank deposits	5.0	7.0	1.5	2.0	3.5
Special bilateral facilities and other investments**	72.4	10.3	6.1	2.4	1.8
Total	17.4	17.3	7.6	4.4	5.3
International organisations	4.0	2.0	1.8	0.1	0.1
Total	35.7	35.3	17.8	8.7	8.8

* Includes holdings of equities and property etc. † Includes loans to developing countries. ‡ Provisional.

Borrowing overseas puts U.K. in the red

HEAVY OFFICIAL borrowings abroad to finance the balance of payments deficit have pushed the U.K. into the red on its external "balance sheet," a special article in the Bulletin shows.

This first happened in 1975, it is now indicated after heavy revisions to the previously published figures. The latest estimates show that the value of the U.K.'s total external liabilities at the end of 1975 exceeded the value of external assets by about £1.4bn.

Last year, the deficit increased to £2bn. The Bank gives a warning that the figures are subject to considerable uncertainty. This arises from the difficulties in the valuation of investments and problems of identification. The net figure is the result of total assets and liabilities which totalled about £125bn. and therefore includes a substantial margin of error.

1975 figures which, as a result, have been turned from the surplus shown in the initial estimates a year ago into a deficit.

The increase in the deficit last year happened even though the effective depreciation of sterling by more than 15 per cent. is estimated to have increased assets by about £1.5bn. more than liabilities.

The rise of more than \$500m. in the total net liabilities last year compared with a balance of payments deficit on current account of nearly £1.5bn. The two estimates are not directly comparable, because of valuation adjustments made to some of the inventory figures and not to balance of payments estimates.

Nevertheless, the Bank comments "after a sequence of heavy current account deficits and a balance of payments deficit of more than £7bn. in the four years, it was almost inevitable that the country's balance sheet of external assets and liabilities

NET EXTERNAL ASSETS/LIABILITIES

	End-1973	End-1974	End-1975	End-1976
Investment	+8.0	+5.9	+4.3	+9.0
Banking and commercial	-1.8	-1.6	-2.0	-1.1
Net external assets of the private sector	+6.2	+4.3	+4.3	+7.9
Public sector (other than reserves and other official financing)	-3.6	-4.1	-4.1	-3.8
Reserves and other official financing	+1.5	—	-1.7	-6.0
Net external liabilities of the public sector	-2.0	-4.1	-5.8	-9.9
Net external assets/liabilities of the U.K.	+4.1	+0.2	-1.4	-2.0

should have deteriorated considerably, and not very surprising that it should now show a net liability."

The major factor last year was official borrowing abroad, with an increase of more than £4bn. in the public sector's net external liabilities more than offsetting a rise of £3.5bn. in the private sector's net external assets.

New foreign currency borrowing by the public sector under the exchange cover scheme amounted to a record £1.8bn. and after adjusting for the depreciation of sterling, the amount out-

COMPANY ANNOUNCEMENT

Harmony Gold Mining Company Limited
(Incorporated in the Republic of South Africa)


A fire was discovered by the night shift on Friday, 1 June, 1977 in the area served by No. 2 Shaft, Harmony, 27 level, in a stope on the far western section of the m. abutting on the De Bruin fault. The fire so far has been confined to a limited area and every effort is being made to ensure that it does not spread into the adjoining mined out area. The extent to which production may be affected is not presently known but the production in tonnes should exceed 5 per cent of the normal monthly output. At this time the cause of the fire is not definitely known.

Johannesburg
14th June, 1977

Give and let live

Cancer has not yet been conquered, so it is more vital than ever for our research to be continued.

Help the urgent work of the Imperial Cancer Research Fund, and you fight back against cancer.



The main laboratories at Lincoln's Inn Fields

One of the ways you can help us NOW

I am sending the sum of £..... as a donation to the scientific work of the Imperial Cancer Research Fund. I do/ do not require a receipt (please delete appropriately).

* Many people help us by starting (or joining) a fund-raising group. If you would like more information about this, please put a tick in this box.

Mr/Ms/Ms
Address
Postcode

IMPERIAL CANCER RESEARCH FUND

The Appeals Secretary, Room 17719
Imperial Cancer Research Fund, P.O. Box 123,
Lincoln's Inn Fields, London, WC2A 3PX

Handwritten text: ١٤٢٨

The Marketing Scene

EDITED BY MICHAEL THOMPSON-NOEL

Advertising makes its own pitch

BY MICHAEL THOMPSON-NOEL

DOES ADVERTISING matter? Is it harmful? Does it hurt? In short, does advertising make a positive contribution to the health and wealth of society, or is it just a hodgepodge of persuasion with which industry seeks to browbeat the consumer—a clamorous subart that serves business and profits but nears the customer?

These may have been among the sort of questions bubbling through the minds of the Secretary of State for Prices and Consumer Protection, Roy Hattersley, the Director, Gordon Borrill, of the Advertising Association, and other Government officials, as they approached last Friday's presentation of the case for advertising arranged for their benefit by the Advertising Association.

If so, they received their answer's worth. There were three speakers: Brian Nicholson, joint managing director of The Observer, who discussed advertising and the media; Ronald Halstead, chairman of Beecham Products and a former president of both the Food Manufacturers Federation and the Incorporated Society of British Advertisers; and Ann Burdus, vice-chairman of the advertising agency McCann-Erickson, whose subject was advertising and the consumer.

The presentation was introduced by Angus Ross, chairman of the Advertising Association and president of Ogilvy, Benson and Mather, who explained that it was a continuation of a discussion that has been in progress, at one level or another, between the Department of Prices and Consumer Protection and the advertising industry for some time. To put advertising last five years in virtually all perspective, not just in the

future? Classified advertising is to a considerable extent made up of recruitment, and with unemployment at its present levels, one can hardly expect this area to show any significant growth in the immediate future. The spectacular advance in retail advertising began, perhaps unexpectedly, around 1970, and it is virtually impossible to forecast how long it can keep accelerating.

"However, if this growth continues, it will undoubtedly be at the further expense of manufacturer's consumer advertising. People who are instinctively opposed to advertising might well get some comfort from the fact that manufacturers' consumer advertising has been dropping considerably and is likely to continue doing so. But this trend is one that will further set at risk the future of independent media in this country, particularly with loss of increased contribution from classified advertising to the security of quality and regional papers."

Brian Nicholson was followed by Ronald Halstead, who made it clear that he was not in the advertising business. "I am in the business of making and selling goods that the consumer wants and I use the most effective means of selling these goods; advertising is only part of this selling process," Beecham said its chairman, sold thousands of different products using over 100 brand names in approximately 200 countries and in most cases the brands had been built to a significant market share.

There were three points to bear in mind, looking at Beecham over the ten-year period 1970 to 1979:

- Sales were expected to grow from £118m. to £750m.
- Marketing expenditure was expected to grow from £23m. to £150m.
- The percentage of marketing expenditure to sales was 20 per cent. in 1970 and had fallen to approximately 16 per cent. in 1974. However, there would be an upturn between now and 1979, due to the marketing investment necessary to expand overseas, particularly in the U.S.

Within Beecham's marketing expenditure, approximately 50 per cent. goes on advertising, so that by 1979 the company will be spending around £75m. on advertising its products internationally, or roughly 10 per cent. of sales.

Mr. Halstead then took his audience through the marketing mix, employed at Beecham, explaining: "We gear all the

various disciplines within the company—market research, marketing, finance, production, engineering, etc.—to evaluating what the consumer wants and to producing and selling the appropriate product in the most economical way possible."

To provide an indication of how advertising expenditure fits into the total costs picture, Mr. Halstead referred back to some figures produced by John Beasley of Cadbury Schweppes in 1974, which showed the following breakdown: direct product costs, 70 per cent.; distribution, 9 per cent.; selling and sales promotion, 10 per cent.; and advertising, 11 per cent.

"We in this country have great technological resources and skills, but in many cases we have failed to effectively market the products of those skills in the world markets."

"Whatever the reason, hard selling, advertising, and profit have not been highly regarded in this country, particularly by people in academic, professional and government positions. This is in striking contrast to attitudes in the major countries with whom we compete—Germany, the U.S. and Japan. People in those countries have not only good products, but also are

believe that the best way to control advertising is to increase people's awareness of how it works. We also believe that certain vulnerable groups in the population need special protection from exploitation and that this can best be achieved by a combination of legislation and vigorous self-regulatory control system."

In their arguments about the desirability of advertising, people sometimes fail to distinguish between regularised, paid advertising which we can supervise and control, and other forms of promotional activity. Arguing about what the barrow boy actually said at his stall on Saturday morning is a fairly futile activity, but we can and should supervise the media, not only because it is possible and a responsible thing to do, but also because the media, some in particular, carry a special credibility with their readers.

It is also a mistake to expect advertising to take more than its share of responsibility for products which are available to society. Sometimes we criticise advertising of products when we should be questioning whether indeed the products should be freely available for purchase. Like many other people, I believe that the consumer should be treated like an adult, informed, and then allowed to choose.

In protecting the vulnerable and setting standards, the advertising business is often accused of not adhering to standards which are relatively unimportant in the rest of society. Our portrayal of the role of women in society is no worse and probably better than that given in the rest of the media. The life styles to which we tempt people to aspire are not inherently wicked. We see no harm in helping people to dream or encouraging them to a better life, and our skills are put at the disposal of many good causes."

In conclusion, Mr. Ross said he hoped the presentation had helped demonstrate that advertising was more than a weapon of persuasion; that it was an essential two-way communication between manufacturer and consumer, government and citizen.

"We in this industry know that good advertising is critical to the marketing process; that the marketing process is critical to the successful manufacture and sale of goods at home and abroad; and that the successful sale of goods is critical to the economic recovery of this country and to working back to full employment."

By all accounts, Mr. Hattersley was impressed.

	1970	1975	1975 indexed on 1970
Food	0.57	0.74	76
Clothing	0.47	0.23	49
Cars	1.31	1.18	90
Drink and Tobacco	1.14	0.96	84
Toiletries and Cosmetics	6.46	5.06	78
Household and Leisure	1.74	1.39	80
Publishing, Books	1.96	1.64	84
Tourism, Entertainment	0.85	0.67	79
All MCA Categories	1.21	0.98	81



Left to right: Ronald Halstead, chairman of Beecham Products, Roy Hattersley, Secretary of State for Prices and Consumer Protection, and Ann Burdus, vice-chairman of McCann-Erickson Advertising.

Slimming foods bulge to £100m.

BY OUR MARKETING EDITOR

AT 365 PAGES, the Economist ably reach £158m. (at 1976 intelligence Unit's recently published multi-client research study of the U.K. market for slimming, dietetic and health foods may be thought a trifle obese: but it provides a suitably substantial study of what are three distinct markets, even though they are invariably lumped together.

Sales in these fields have grown rapidly over the past ten years. Although in real terms growth has slowed recently, says the EIU, there can be little doubt that but for the pressure on real incomes, sales would have been higher still. This augurs well for future prospects, both in terms of market size and opportunities—for new entrants as well as existing interests.

The EIU values the three markets together at £145m. at retail prices for 1976, of which slimming foods accounted for the lion's share at £102m. compared with £34m. eight years ago.

It is generally reckoned that one-third of all U.K. adults have at one time or another tried some kind of slimming food, and that half the population is overweight. Spending on slimming licence Unit, 27, St. James's Place, London, S.W.1, £450.

47 complaints upheld

BY PAMELA JUDGE

ALWAYS A RUNNER in the Ford had put forward leg room complaints stakes, motorist makes up the highest sector in the latest batch of complaints dealt with by the Advertising Standards Authority.

Chrysler (U.K.) was rapped the next biggest field for consumer companion claims made for the Alpine S and GLS concerning acceleration, wider seats and more headroom. The ASA did not consider that the source of the data quoted to the Press ads had been accurately stated.

Datsun U.K. offered a "special deal" which was challenged on the grounds that part of it was not "free" and the authority agreed that the exact nature of the offer was not made plain, wholly or in part.

MICHAEL WATERSON, 31, is chairman of a study group to succeed Harold Lind as head of research and economics at the Advertising Association, which he joins on July 11. From 1969-1973 Mr. Waterson was a consultant economist with Urwick, Orr and Partners and for the past four years has been economic adviser to the Guinness Group.

He has been an active member of the Business Graduates Association and until recently was Surrey.

Advertising is selling. No more. No less.

J. C. Bamford Excavators, Ind Coope Hotels, Royal Doulton Sanitaryware, Hallam Group of Nottingham and Biltons Tableware are just a few of the people who agree with us.

Send for our brochure and find out why.

C.B. Brookes Advertising
Cambridge House, Cambridge, Uttoxeter, Staffs. ST14 5BL. Tel: (0889-26)487.

How a chartered accountant with a passion for films has influenced British advertising to Europe.



The man in our photograph had ambitions at one time to be a film producer. Today he is International Business Editor of The Economist. (Although he still finds time to stay involved with films and is on Sir Harold Wilson's Interim Action Committee to examine the film industry).

David Gordon also happens to be indirectly responsible for the fact that a number of advertisements from this country are taken very seriously in Europe nowadays.

The advertisements we are talking about appear in The Economist.

Over the past five years the circulation of The Economist has increased by a remarkable 35%, with two thirds of this coming from new readers overseas.

At the same time its importance as an international advertising medium has grown considerably.

A significant proportion of these advertisements are corporate statements and financial reports. As well as tombstone advertisements and those publicising international banking achievements.

Which brings us back to David Gordon and his colleagues.

For the reason why The Economist has grown rapidly into a newspaper of world stature—and an essential vehicle for international

advertising—lies in the reputation and skill of its journalists.

A qualified chartered accountant who turned to journalism, David Gordon has the good financial journalist's informed instinct for future developments in international business.

'British companies,' he says, 'have always had a natural urge to invest abroad. In the past this has been hindered by controls to protect the pound—and the sensibilities of those who think it unpatriotic to invest anywhere but at home.

'But it may quite suddenly become patriotic to spend foreign exchange away from Britain. For, as North Sea earnings accumulate, there will be pressure on the pound upwards, tending to make non-oil exports less competitive.

'It is not difficult to see that one obvious way to stop the pound going too high would be to remove the restrictions on outward bound



investment.

With more than 50 journalists of real calibre working for The Economist you can see why it is one of the most respected newspapers in the world.

And also why it is important to international advertisers.

Listen to Harry Bengough, chairman of St James's, one of Europe's most important agencies specialising in total corporate and financial communications.

'In the past year or so profit seems to have been a dirty word in this country,' he says, 'with the inevitable result that many companies have gone overseas for the profits they find difficult to make here.

'When it comes to corporate advertising abroad we always recommend to our clients that they use The Economist. The reason is of course that it is essential to project their image to precisely the kind of senior and influential readership that The Economist has.

'The same is true of financial advertising, such as tombstone advertisements, which also require to be seen at the right levels in the international financial world.'

If you want your advertisements to be taken seriously abroad the answer is clear. In the pages of The Economist.

The Economist
It reaches the people who matter.

THE FINANCIAL TIMES

Incorporating THE FINANCIAL NEWS

Head Office Editorial & Advertisement Offices: BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3DF

Construction: a catalogue of failures

By MICHAEL CASSELL, Building Correspondent

THURSDAY, JUNE 16, 1977

Legislative hiatus

This has not, to put it mildly, been a good week for the Government. The trade union leaders have given it a stronger hint than before that they cannot recommend, let alone enforce a Phase Three of wage restraint of the kind for which Ministers originally hoped.

he seemed until recently to have in mind—a reconsideration which his difficulties about continued pay restraint in any case make desirable. More important though less noticed, perhaps, is the proposal that direct tax allowances should be indexed against price changes, though this appears to have been faultily drafted.

IMF guidelines For all the advantages of a respite from divisive and badly-planned legislation, however, there is no doubt that the Government's ability to continue in office with Liberal support until a favourable election date of its own choosing is beginning to look more doubtful.

Learning to say 'no' in French

SOME TIME during the British referendum campaign, the view developed in the Foreign Office that the best way to take advantage of the European Community was to use it to advance British interests.

Energy It is apparent by now that a version of this view has been adopted by the Government, only without the style and the subtlety which the Foreign Office would presumably have attached to it.

Negative The present British approach, by contrast, is almost entirely negative. The Government is treating energy as a card to be hoarded rather than played.

THE controversial claim made by a consulting engineer that parts of Birmingham's £35m. inner ring road could collapse unless extensive rebuilding work is carried out soon has reopened the debate on whether or not the quality of British construction work is steadily declining.

The catalogue of failures is a long one. Since a gas explosion in 1968 on an upper floor of Roman Point in Newham, East London, shook the 22-storey block of flats and the whole construction world, there have been many more incidents.

Workmanship shoddy News of faults and failures is becoming part of the staple diet of construction industry magazines. Only days ago it was announced that £4.5m. was to be spent on the New Royal Liverpool Hospital, built 13 years ago, because of fire risks inherent in its construction.

Greater London Council architects have recently been blamed for defects which have been detected on council housing estates built since 1964, and which could cost ratepayers about £30m. to correct.

"Most of the time we are talking about far more mundane faults and defects, such as foundation problems, leaking roofs, and condensation, though they are no less important in terms of cost to the economy and can cause severe hardship and disruption."

There are signs that one of the major reasons for the unsatisfactory situation is the gradual run-down of discipline involving design procedures. In safety considerations have been a growing number of cases, the junior in a design office is given in many cases and yet a few

responsibility for detailing work when someone with experience is really required and should, at least, check the work being done.

On the site, the picture is often no more encouraging. Standards of supervision have declined in many cases simply because the large variety of materials and methods of construction now being used means that there are few people who have sufficient knowledge to recognise and cope with faults when they arise.

of construction. The local authority is not necessarily obliged to carry out an inspection, but if it does so and is subsequently found to have been negligent then it could be liable for any damage which ensues.

While the Lords' decision does not in any sense cancel the builders' own liability in the case of bad workmanship it could provide the client or consumer with a valuable fall-back which has not previously been available.

Others in the industry feel that their best chance of avoiding liability will be to abandon the inspection process altogether, although it is difficult to foresee any widespread acceptance of such a controversial move.

Mr. Ian Deslandes, director of the House-Builders Federation, believes that local authorities have already been taking a much clearer look at the building process since an earlier court case first outlined the principle of local authority liability for negligent inspection.

"A fine toothcomb" approach will inevitably mean more delays and higher costs but I think we and our clients will have to face up to it."

The industry is also inwardly digesting the ramifications of another decision which could considerably extend the actual period of a contractor's liability. Until recently, it has been the rule that a builder could only be held liable for defects for six years after any negligent building took place but now liability runs for six years from the date of discovery of the defects.



Since the gas explosion that wrecked Roman Point flats (above) in 1968 the construction industry has been dogged by complaints of shoddy workmanship, low materials standards and poor design control.

MEN AND MATTERS

Laker waves the flag

Anyone straying into the most far-flung of Gatwick Airport's hangars yesterday might easily have imagined themselves caught up in a beleaguered item of Silver Jubilee.



"No doubt about that one being a Colorado beetle!"

Speaking from a flag-decked pulpit which, he suggested, had been raised high to prevent damage to his socks from the competing airlines snapping around his ankles, Laker did not miss a chance to shoot some flak at his establishment enemies.

Older, wiser "We're all a lot older and wiser than we were in 1971." That rueful comment on the trials and tribulations of the last few years comes from one of the founders of Fitzwillton Securities, which once nursed ambitions of being the first multinational conglomerate based in Dublin.

But Nicholas Leonard, a former journalist and one of the trio which started Fitzwillton, is emphatic that the company, though it may have failed to attain the heights which its bright-eyed supporters once hoped for, does not resemble Slater Walker closely.

Fitzwillton was born in 1971 as an investment shell with £500,000 of capital and three entrepreneurially-minded guiding lights. They were: former rugby star Tony O'Reilly, often dubbed the "golden boy" of Irish business who has shot to the top of, and naturally spends most of his time on, the American H. J. Heinz group; Vincent Ferguson, who has continued to run the investment side; and Leonard.

Engaging Crossed wires from North Humberstone (I hope it has nothing to do with an excess of chemicals in the air round that part of the world). Anyone trying to telephone Croda International's head office yesterday evening was regaled with the information, via an answering machine, that the office was closed for the bank holiday and would re-open on Wednesday, June 8.

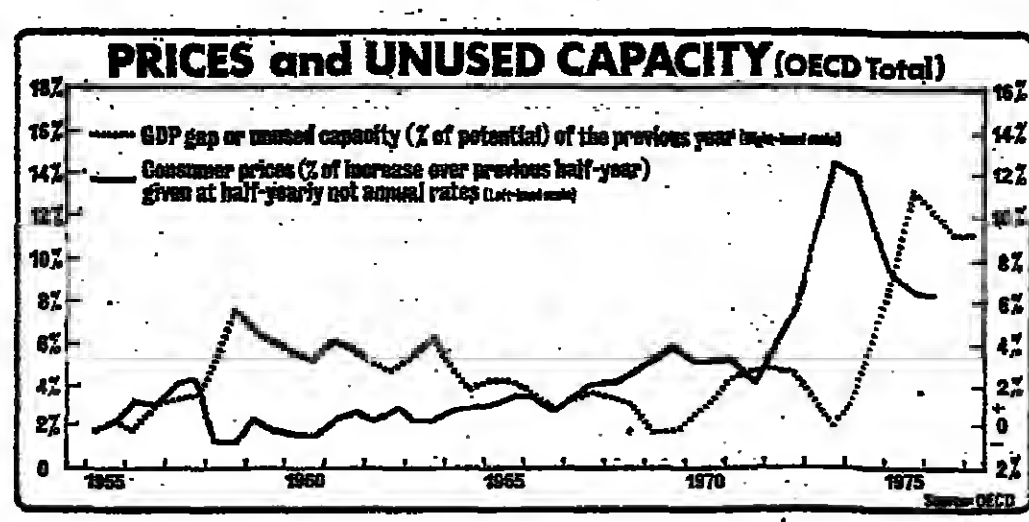
Advertisement for Edward Erdman, a property valuation and accounting firm. The ad includes a list of questions about property valuation and rental values, and a contact number for Edward Erdman.

Handwritten signature or scribble at the bottom of the page.

You cannot back every horse in sight

IT IS doubtful if many of the independent experts who compiled the new OECD report on what has gone wrong with the world economy since 1973 went to Ascot this week. Which is perhaps a pity. For they would have discovered that you cannot back every horse in sight. But it is precisely because they did this that their report is already being canonised less than a week after publication. This is a pity. For it is by far the best single source of data and also of individual pieces of analysis for this period—thanks to the work of its senior adviser Mr. Stephen Marris, after whom the report ought to be named.

If governments establish monetary and fiscal guidelines, they may hope that these will take them to certain desired levels of output and employment, but there is no guarantee of it; and the OECD has given little reason to suppose that their real and monetary targets are compatible. Indeed, the evidence it presents suggests that any attempt to run the world's industrial economy at 1973 levels of activity would generate another inflationary explosion, without achieving, even temporarily, the output target.



This was known as the doctrine of the "natural" rate of unemployment (a misnomer if taken literally, as unemployment could certainly be affected by gross roots policies affecting the Labour market).

He returns to the issue in his Nobel Prize Lecture just published by the IEA and has given the argument a new and even more uncomfortable twist. For considerable superficial evidence has accumulated that policies leading to rapid inflation not merely fail to boost activity, but are actually associated with higher, not lower, rates of unemployment.

Most traditional central bankers and vulgar monetarists always supposed this to be the case; but Professor Friedman is nearly as sceptical of the new "positively sloped Phillips curve" associating inflation with high unemployment as he was of the old one associating it with low unemployment.

The danger arises partly because high rates of inflation are in practice not steady but highly variable, both in anticipation and in reality. Because indexing is delayed and imperfect, long-term commitments are discouraged and markets do not function well. In addition, control prices and wages, which further reduces the ability of individual markets to adjust to shifts in demand and supply. But even these effects are probably transitional. Markets will discover ways of coping with both volatility and governmental intervention, through indexation and indirect avoidance techniques. Efficiency is likely to suffer, but not necessarily employment. But it takes quinquennia or decades for the

system to return to its "natural" level of unemployment in the face of double digit inflation. A good illustration of the Friedman theory is, as a matter of fact, provided by the OECD chart reproduced here. The recession is between estimated excess capacity—which is related to unemployment—and consumer prices, with a one-year lag. This shows that over a short period a rise in inflation rates has often been associated with a reduction in unused capacity; and a recession is required, as in 1975, to reduce the inflation rate. But the chart also shows a medium-term trend the other way: as inflation got worse between the 1960s and the 1970s and so did the severity of recessions. The ultra-long-term adjustments, in which activity and employment adjust to permanently higher inflation, have not yet happened, or are only beginning, and are thus not yet visible on the chart.

Everyone

The trouble with the overall conclusions is that there is something for everyone. There was the welcome call for the indexation of the personal tax thresholds and for the encouragement of index-linked bonds in both the public and private sectors. These are aspects which Mr. Denis Healey conveniently overlooked in the welcome he gave to the report in a speech this Tuesday, but on which the Commons Finance Bill Committee has already acted. The OECD also calls for stable monetary guidelines and the linking of revenue to expenditure by means of some form of adjusted budget balance. But they also call for a 5% per cent per annum real growth target for the period 1975-80 for the OECD area and publish a chart of the "narrow path" on which they want output to move with the object of returning to 1973 levels of activity and employment.

It is not very convincing to explain away the check to the world economy since 1973 as just a series of accidents: the Vietnam War in the U.S. in the 1960s, the coincidence of several national elections in the early 1970s, an unexplained inadequacy of investment in the late 1960s, the oil price explosion of 1973-74 and their series of bad harvests. There are really just too many coincidences in all this. Nor is it really helpful to OECD's case that in the middle stages of a world economic recovery which is weak and disappointing in the light of its own target, the average rate of inflation in member countries has already started rising and is now above 9 per cent, after reaching a low point of only 8% per cent in the last recession. Inconvenient facts will not go away by suggesting, as Mr. Healey did this Tuesday, with his characteristic elegance of argument, that those who point them out are asking us to choose "between the dictatorship of the Communist Party and the dictatorship of General Pinochet."

Readers of the OECD report should turn at an early stage to the short notes of reservation by individual members of the OECD team. Professor Herbert Giersch, after calling into question the 5% per cent OECD target, goes on to say: "If a country suffers from inflation and unemployment it cannot be helped by other countries refuting their demand; any expansionary effect imported from abroad will rekindle inflation and inflationary expectations just as if it had emanated from inside the economy." British politicians and civil servants morning, afternoon and evening and more frequently on High Holidays. Another disclaimer, Professor Ryntaro, has great fun with the contradiction between OECD's advocacy of finely targeted output paths (themselves in potential conflict with the monetary guidelines) and the call to strong, surplus countries to give a lead to world expansion. It is not surprising that these remarks should come from the

German and Japanese experts, Milton Friedman has been the demonstration that money matters much less in all this than people think. Ten years ago he devoted a seminal Presidential Address to the American Economic Association to the long run futility of post-war employment policies; and it was this address rather than more technical monetary arguments which converted me from the Keynesian approach.

Attempts by demand management of any kind—whether fiscal or monetary—to spend one's way into a target level of employment and activity might work for a while at the expense of a higher rate of inflation. But the trade-off was a transitional one and after a few years we would simply be left with higher inflation. A temporary rise in unemployment occurred while the inflation rate was being reduced; and there was a temporary reduction in unemployment while a higher rate of inflation was being established. But in the longer term there was no relation either way between inflation and unemployment.

German and Japanese experts, Milton Friedman has been the demonstration that money matters much less in all this than people think. Ten years ago he devoted a seminal Presidential Address to the American Economic Association to the long run futility of post-war employment policies; and it was this address rather than more technical monetary arguments which converted me from the Keynesian approach.

Attempts by demand management of any kind—whether fiscal or monetary—to spend one's way into a target level of employment and activity might work for a while at the expense of a higher rate of inflation. But the trade-off was a transitional one and after a few years we would simply be left with higher inflation. A temporary rise in unemployment occurred while the inflation rate was being reduced; and there was a temporary reduction in unemployment while a higher rate of inflation was being established. But in the longer term there was no relation either way between inflation and unemployment.

Accounting and inflation

From Mr. J. A. Harbot.

Sir—The great inflation accounting debate continues and at a special meeting of the Institute of Chartered Accountants on July 6 a small body of accountants is seeking to prevent its compulsory introduction.

Despite the well-publicised arguments put forward in favour of inflation accounting, I cannot escape from a deep sense of apprehension and feel sure that many other accountants must be similarly affected.

The cause of the apprehension is hard to pinpoint, but I think it arises from a gut feeling that accounting for inflation is a form of capitulation to the ailment itself and far from helping to solve the problem will in fact exacerbate it by the additional prominence given to it. Is there perhaps an analogy with declination which, with blindsight, is widely accepted as having contributed to inflation, whereas prior to its introduction no such after effect could have been foreseen?

Surely every accountant should think very hard before becoming a party to an accounting system which in effect acquiesces in the debasement of the currency—a course of action which would cause some of our forbears to turn in their graves. Surely we would all be better served if the combined intellectual powers of the accounting profession were brought to bear on ways of strengthening inflation rather than contributing to it in a system of accounting.

J. A. Harbot, 57 Alport Rise, Pocklington, Yorkshire.

Letters to the Editor

that basis, it may be expected to apply to a broad spectrum of proposers to the office for life assurance but clearly those whose medical background suggests a higher expectation of death during the term of the policy than the extreme of the permitted normal range must expect to be asked to make an extra contribution to compensate for this.

To put the matter in perspective, in the calendar year 1976 almost 93 per cent of proposers to this society for life assurance were accepted at the ordinary rate of premium and only 1% per cent were declined or had the decision delayed. The proportion accepted at ordinary rates in 1975 was 94 per cent. Furthermore out of the society's last declared rate of vested bonus for assurance contracts of 4.40 per cent per annum no more than 0.15 per cent was attributable to the society's mortality experience being more favourable than expected according to the premium bases.

C. M. Cavaye, Scottish Widows' Fund and Life Assurance Society, P.O. Box 502, 15, Dalkeith Road, Edinburgh.

AA surcharge on vehicles

From the Public Relations Manager, The Automobile Association.

Sir—In answer to Mr. D. Bell (June 11) the Automobile Association is not alone in levying a surcharge on vehicles over five years old being taken to the Continent, the drivers having sensibly elected AA Five-Star touring cover to protect them against unforeseen happenings.

Unlike normal day-to-day travel in this country, the risk of trouble arising abroad is far greater. Large distances are invariably covered in comparatively short time, heavy loads are carried, high ambient temperatures are experienced in many places and the generally better road conditions give rise to higher consistent speeds over longer periods.

In short, the conditions under which GB motorists travel on the Continent are vastly different from those experienced at home and place added stresses and strains on older vehicles. There is also the added difficulty of obtaining spares for these vehicles and because of this very often have to be transported back instead of being put right on the spot.

R. S. Campbell, The Automobile Association, Farnham House, Basingstoke, Hants.

Part-time directors

From the Chairman, Brian Woodhead and Co.

Sir—There were good topical points in Mr. Hutchinson's letter (June 11) and I have to agree that part-time directors are most successful and most marketable if they have a track record as executive directors.

I would not rule out part-time directors as an aid to smaller companies, not as a "survival kit" but as a good value for money normal method of widening horizons and experience in short-term, short-term consultancy is not always appropriate, long term assistance from a part-time director can prove to be most acceptable to the firm, most successful in achieving results and rewarding in every way the director concerned.

The key lies in matching the company's needs to the people available, and while there has never been such an ample supply of high calibre directors willing to undertake the part-time role, many companies do not yet realise how cost effective this form of assistance can be.

A. E. Woodhead, 107, Harborne Road, Edgbaston, Birmingham.

Delay and interest

From Mr. J. de Silva.

Sir—The conclusion of David Wainman's article "delay and interest" (June 11) strikes me so much as a chord as a raw nerve that I feel obliged to comment. The article is not only not deductible but itself attracts more tax in the form of VAT. Either the system should be modified or the individual allowed to deduct accountancy charges.

J. B. de Silva, Copse Close, Virginia Water, Surrey.

Air mail rates

From Mr. A. Berry.

Sir—The Post Office has just put up its postage rates and I must write to congratulate Mr. Weiss (June 10) on pointing out to all businesses the steep increases being inflicted on commercial air letters.

The blurb put out by the Post Office some weeks ago does indeed tend to mislead the unwary by its statement that there is "no increase in the air mail basic unit charges" while failing to point out that the new weight rates proposed increase the cost of a 15 gms. letter by between 57 per cent and 68 per cent, depending on the zone to which the letter is addressed.

Altering the weight steps in this way is a real blow for exporters who, quite logically, do not use the air mail service for single-sheet correspondence alone but mainly for sending out pro-forma invoices, leaflets, shipping documents, etc., all vital stuff which forms the day-to-day life of an exporter. Surely if the weight steps had to be changed as part of a policy of rationalisation why could not the Post Office have adjusted its charges accordingly to soften the blow?

A. C. Berry, 27, Tracer Lodge, Walspole Road, Teddington, Middx.

European farm policy

From Mr. G. Gemmill.

Sir—Christopher Tugendhat (June 9) is to be congratulated on emphasising the largest flaw in the Common Agricultural Policy, namely the taking of decisions by the agricultural Ministers rather than by a more representative body (for example, European Parliament). At present such decisions must offer something for the farming lobby in every country, hence are an inflationary compromise.

Mr. Tugendhat, however, claims benefits from the CAP which are misleading. He sees the world in which stable and plentiful supplies of food are "becoming almost daily rarer and more valuable" yet it is likely that by the end of this year there will again, as in the 1960s, be a large international surplus of grains. He cites the

To-day's Events

- GENERAL: Overseas trade figures and balance of payments current account for May.
- Prime Minister meeting building employers, architects and representatives of National Joint Council and the Civil Engineering Construction Board to discuss investment.
- General Election in Irish Republic for seven years in order to receive small gains in the eighth? The real shortage of sugar in the U.K. in 1974 was the result of brinkmanship by our incompetent politicians who failed to recognise that the Equalisation Bill, committee Control of Food Premises (Scotland) Bill, committee.
- OFFICIAL STATISTICS: U.K. banks' assets and liabilities, S.W. 11. Automotive Products, Grosvenor House, W. 12. J. Compton and Webb, Quaglino's, S.W. 12. Croda International, Connaught Rooms, W.C. 12. Dutton-Forsyth, Park Lane Hotel, W. 12. Executive Clubs, Leeds 11.30. GHP Group, 87, Tooty Street, S.E. 12.30. Industrial and General Trust, Winchester House, E.C. 12.45. John Laing, Hemel Hempstead, 2.15. London and Chelsea Glaz (half-year), Arthur Guinness Son and Co. (half-year), London and Overseas Freighters (full year), Tate and Lyle (half-year), UBSI Group (full year).
- COMPANY MEETINGS: J. and I. Randall, Potters Bar 11.30. Scottish Mortgage and Trust, Edinburgh, 10.30. Usher Walker, Connaught Rooms, W.C. 12.

Holdings by nominees

From Mr. P. Allin.

Sir—As a statistician I would disagree with Mr. S. W. Fenwick (June 15). Until registers of nominees have been circulated all their shareholders under Section 27 of the Companies Act 1976 then no true picture of nominee holdings can emerge. To say that it is unlikely that certain types of investor act as nominees will remain a subjective view until Section 27 produces some information.

If the circulation of all shareholders is unwelcome then registers could call on a friendly statistician to suggest a random sample across all kinds of shareholder.

P. V. Allin, 23, Tiptern Street, Clapham, S.W.4.

Added value and incomes

From Mr. E. Rutherford.

Sir—I was sorry to read (June 3) that Dr. Jones and Mr. Curry found difficulty in understanding the points I made in my response to their earlier letter. Let me try to direct their attention to one central flaw in their argument.

As I understand them, they advocate an incomes policy constructed in such a way that the scope for pay rises is increasingly restricted as the proportion of a firm's added value which is taken by wages increases. If added value, in the sense in which the term is used by economists, could be measured for an individual firm, it would be a measure of the efficiency of the firm as a combination of labour, capital equipment, managerial skill, etc. The ratio of wages to added value would necessarily imply anything about the efforts of the labour force. A firm which adopts a relatively capital intensive mode of production will have a relatively lower total wage bill for any level of added value. The labour force more efficiently because of the capital equipment available to them; there is no reason to suppose that the purchase of the equipment could only have been funded by wage restraint in earlier periods. It may well be that, within any particular industry, relatively more capital intensive modes of production should be encouraged, but it is absurd to

No claim bonus

From Mr. D. Hannan.

Sir—I have read with interest the correspondence on the Automobile Association breakdown services as I have myself corresponded at some length with the association on the subject of some form of "no claim bonus."

I am very concerned at the figure quoted by Mr. Campbell (June 8) of claims on the breakdown service being made by an average of about half the membership. In a membership of over 40 years, partly with the RAG and partly with the AA, I have availed myself of this service only twice, in 1936 and again in 1968. I should like to see the evidence that "well maintained cars" show little difference in the breakdown rate, as on those occasions when I have myself rendered roadside assistance, it has seemed very obvious that the need for assistance stemmed from a combination of ignorance and lack of proper maintenance. Regular servicing at intervals of 3,000 or 6,000 miles is now a very expensive item, and I suspect that there are large numbers of motorists whose cars are not regularly serviced in accordance with makers' instructions. I

Air mail rates

From Mr. A. Berry.

Sir—The Post Office has just put up its postage rates and I must write to congratulate Mr. Weiss (June 10) on pointing out to all businesses the steep increases being inflicted on commercial air letters.

The blurb put out by the Post Office some weeks ago does indeed tend to mislead the unwary by its statement that there is "no increase in the air mail basic unit charges" while failing to point out that the new weight rates proposed increase the cost of a 15 gms. letter by between 57 per cent and 68 per cent, depending on the zone to which the letter is addressed.

Altering the weight steps in this way is a real blow for exporters who, quite logically, do not use the air mail service for single-sheet correspondence alone but mainly for sending out pro-forma invoices, leaflets, shipping documents, etc., all vital stuff which forms the day-to-day life of an exporter. Surely if the weight steps had to be changed as part of a policy of rationalisation why could not the Post Office have adjusted its charges accordingly to soften the blow?

A. C. Berry, 27, Tracer Lodge, Walspole Road, Teddington, Middx.

European farm policy

From Mr. G. Gemmill.

Sir—Christopher Tugendhat (June 9) is to be congratulated on emphasising the largest flaw in the Common Agricultural Policy, namely the taking of decisions by the agricultural Ministers rather than by a more representative body (for example, European Parliament). At present such decisions must offer something for the farming lobby in every country, hence are an inflationary compromise.

Mr. Tugendhat, however, claims benefits from the CAP which are misleading. He sees the world in which stable and plentiful supplies of food are "becoming almost daily rarer and more valuable" yet it is likely that by the end of this year there will again, as in the 1960s, be a large international surplus of grains. He cites the



WHERE IN THE WORLD WILL YOU FIND STANDARD CHARTERED?

In 60 countries around the world, almost anywhere that you may want to do business. In Kenya, for instance, we are a long-established part of commercial life, with 34 branches right across the country.

When you use Standard Chartered for your Kenyan business you save yourself money and time, because our U.K. branch nearest to you will contact any of our Kenyan branches direct. There will be no intermediate banks or indirect delays. Ring Keith Skinner on 01-623 7500 now to hear more about this.

Standard Chartered Bank Limited
helps you throughout the world

Head Office: 10 Clements Lane, London EC4N 7AB. Assets exceed £5,680 million

OWI
ly
on

ASGOW

COMPANY NEWS + COMMENT

Chubb advances £2.3m. to best ever £14.1m.

GROUP turnover of Chubb and Son rose from £133.26m. to £155.7m. for the year ended March 31, 1977, and pre-tax profit was ahead from £11.77m. to a record £14.1m., after being up from £4.38m. to £5.14m. at half-time.

For the year stated earnings per 20p share are up from 11.15p to 13.31p—the net final dividend is 2.2845p for a total of 3.5015p (13.1215p). If ACT is reduced an additional payment will be made.

The retained profit figure is £13m. (£8.8m.) but in addition there has been taken to reserves some £242,000, being the increase in opening values of stock and work in progress.

Tax has continued to be provided fully on the profits of the year, including some £2.874m. transferred to deferred taxation. It is intended to review the policy during the coming year with the object of reducing the deferred taxation provision wherever appropriate.

The figures do not include the trading results of Gross Cash Registers or its subsidiaries, purchased with effect from January 19, 1977, or for L. and F. Willenbach purchased with effect from January 1, 1977, although the Chubb shares held in connection with the purchase of both companies rank for payment of the final dividend.

Turnover	1976-7	1975-6
Trading profit	11,770	12,334
Net interest	1,271	1,300
Share issue	73	81
Profit before tax	14,100	13,764
10% tax	1,410	1,376
Overseas	2,820	2,753
Assoc. tax	422	428
Net profit	8,270	8,607
Minorities	716	700
Attributable	6,554	6,907
Extraord. debts	6,221	6,599
Dividends	1,713	1,900
To casual redemption	19	10
Retained	4,128	4,607

comment

Chubb's full-year profits are up to expectations with a rise of a fifth pre-tax, helped by a material increase from the Europe operations, which made profits of only £11,000 in 1976-7 on sales of £23m. Evidently margins in Europe are still below par, but they are improving. The U.K. business has been fairly unexciting and Canada has been held back by anti-inflation legislation. For the current year steady progress can be expected from existing operations and the company will be making its first forays into the U.S. market. This is likely to be fairly modest at first. The Gross Cash acquisition will be consolidated this time and Chubb reckons it will have curbed its losses by the year-end and brought it up to break-even and profits of £1m. could be made by 1980. At 12p the p/e is 8.2, but the yield of 4.9 per cent. is a point below the industrial average, though with a cover of 4.1 times there is room to manoeuvre if dividend legislation is lifted next year.

HIGHLIGHTS

The bid defence document from Fodens reveals a substantial turnaround in profits and shareholders are strongly advised not to accept the Rolls-Royce offer. Lex also covers the CompAir half-time statement, where profits are 70 per cent. higher thanks to the strength of the export business—three-quarters of total sales—in particular the U.S. and Australian markets. Armitage Shanks has been held back by the slump in the building trade in most of the countries where the company operates and profits are £1m. lower, while there are few encouraging signs this year. A strong trend in its European operations has been the driving force at Chubb and Profits are 20 per cent. higher. At Lindustries, however, there was a noticeable slowdown in the growth rate during the second half with the textile side the main problem area.

Downturn at Armitage Shanks

SECOND HALF profits of Armitage Shanks Group fell from £1.72m. to £1.37m., leaving the total for the year ended April 2, 1977 down from £2.72m. to £2.29m. Turnover reached a record £32.15m. against £31.08m.

Mr. Kennedy Campbell, chairman, says that the building industry has taken a succession of blows which few other sectors could have endured and this has adversely affected profits. This has also postponed the benefits expected from the policy of increasing U.K. stocks.

Although overseas profits were similarly affected export markets from the U.K. are maintaining the recovery begun in the second half of the year, he adds.

After tax and minorities the net profit balance comes through at £1.32m. against £1.35m. Earnings per 25p share are stated at 7.37p compared with 8.66p.

A second interim dividend of 2.25p maintains the net total at 4.2p. If the tax rate is reduced before the AGM on August 11 a final will also be paid to meet the change.

Assuming a reduction to 33 per cent. this final would be 0.70p net making the second interim and final net dividends equivalent to a gross distribution of 3.46p, the same as last year. The second interim will absorb £471,000, with the proposed final costing another £14,000.

the charge for the year is £71,000 and last year's charge has been restated at £1,045,000 to reflect this change in policy. It deferred tax were provided the charge for 1977 would be increased by £237,511 and that for 1976 by £405,372.

comment

The general building slump in most of its main areas, the U.K., Australia, South Africa and Malaysia, explains Armitage Shanks' 16 per cent. fall in annual pre-tax profits. Despite a 16 per cent. rise in sales volume during the year, overall volume has actually fallen, and in a volume sensitive business this has meant a sharp reduction in profit margins—from 8.7 per cent. to 6.4 per cent. The U.K. building sector will remain depressed in the current year and as yet there are no signs of any pick-up in the overseas markets. Also, the group has finished 1976-77 with stocks about £2m. higher. Total debt is now £4.3m. or 40 per cent. of shareholders' funds. That does not look too high but it must mean a substantial rise in interest charges this year. A yield of 12.25 per cent. at 35p. covered 1.2 times, fully taxed underlines the lack of short-term confidence.

comment

Bluemel Bros. improved from £1.85m. to £2.3m. and profit was up from £130,245 to £183,455 before tax of £96,500, against £88,000.

The directors report that demand for the entire range of products has been running at a high level and this has continued so far in the second half. They are therefore confident that the results for the full year to September 30, 1977 will be substantially better than last year's £278,548.

Stated earnings are up from 2.137p to 3.91p per 25p share in the first half and the net interim

1976-77 1975-76

Turnover	2,618	2,628
Trading profit	63	86
Debt interest	24	24
Bank interest	425	472
Profit before tax	2,267	2,712
Taxation	71	1,040
Net profit	1,556	1,671
Minorities	64	81
Net profit	1,522	1,590
Dividends	471	571
Retained	671	519

With provision for deferred tax no longer considered necessary

dividend is stepped up from 1.225p to 1.5p—last year's total was 3.3385p.

Victoria Carpet lower

AFTER THE large downturn from £44.144 to £27,327 at half-way, profit of Victoria Carpet Holdings was £247,977 for the 26 weeks to April 2, 1977, compared with £378,215 for the previous 53 weeks, before tax of £134,926 (£234,873).

Dividend total is maintained at 1.9076p net with a final of 0.8701p. In December last year the directors hoped that the dividend would be held.

Tomkinsons Holdings headway

Carpet makers and spinners Tomkinsons (Holdings) made a taxable profit from £22,000 to £51,000 on sales up from £4,57m. to £5.63m. in the 26 weeks ended March 26, 1977. The directors expect the home carpet market to remain difficult in the second half and continuance of the present profit trend depends on the success of exports, says Mr. K. R. G. Tomkinson, the chairman.

During the first half home market carpet sales reached a new nadir, so the company has continued its successful policy of building up export sales which have so far remained buoyant, Mr. Tomkinson says.

The expanded carpet company expanded into other markets and as a result traded profitably. The yarn spinning operation continues to grow as planned and the directors expect a steady increase in cash flow and profits there in the future. The tufted company has suffered substantial losses and necessary steps to stabilise the situation in the second half have been taken.

The interim account of any likely deferred tax there is an extraordinary credit of £34,000 from the gain on a sale of surplus fixed assets originally purchased in connection with the company's spinning mill development.

1977	1976	
Sales	4,570	4,570
Pre-tax profit	22	22
Estimated tax	12	12
Minorities	19	19
Extraord. credit	54	—
Attributable	73	10

Feedex chairman confident

MR. J. R. WILLIAMS, chairman of Feedex, continues to feel confident that by investing in British agriculture the company will maintain a good rate of growth, he tells members in his annual statement.

Regarding the present year, the engineering division is in a very strong position, with a good forward order book, he says. The feed division tonnage continues to increase, but so long as returns from pig production are depressed there will be continuing pressure upon feed margins. Recent changes in the Common Market Agriculture Policy terms will go some small way towards restoring pig margins and market forces should give further impetus to this as the supply of pigs is reduced.

While the timing is difficult to forecast because of political factors increased investment in pig production will in due course bring its rewards.

As reported, May 5 pre-tax profit for 1976 improved from £0.79m. to £0.93m. and turnover was up from £11.61m. to £12.27m. While this represents a slight decrease in the rate of expansion of profits compared with the half year's results, the underlying reasons are political factors surrounding the pig industry within the EEC, in their pig meat entering the U.K. from the Continent is heavily subsidised compared with the same British product.

These are factors which are not within the company's control and he is confident that when these problems are resolved, the rate of growth will be restored. There has been further re-investment within the group during 1976.

The investment of £200,000 is nearing completion at Teylors of Consett, where the factory site has been doubled, taking full advantage of the grants available within this special development area. At the same time, Rawlands of Aylsham has also put in hand an extension to its factory which will alleviate the pressure on production space.

A meeting, Burswick, July 6, 6 p.m.

IDRIS HYDRAULIC TIN LIMITED

Extracts from the Statement of the Chairman, J N Savory MBE

The gross profit for the year 1976 amounts to £242,207. Output at 274m. tons was down on 1975, due to the planned transfer of mining operations from the South Western area to the new Central area, but sales were marginally up at 359m. tons, because 85m. tons were carried over from the end of 1975 due to Export Control.

The net profit amounted to £121,959 (1975—£144,087). Following Treasury exemption from legislation restricting payments your Board have declared dividends totalling 9p per share (1975—1.15p) at a cost of £15,200, leaving the balance to be carried forward increased by £6,759 at £73,776.

Development of the Central Area was confined to non-productive stripping of overburden until May. Thereafter, hydraulic plant operated in poor ground with improving results towards the end of the year as depth increased.

The continuation of operations at the South Western area will depend upon the amount of payable ground encountered during clean-up operations on the paddock road, but it is unlikely that this section will continue in operation beyond the end of the present financial year.

Production for the first four months of the current year amounts to 109m. tons compared with 115m. tons for the same period last year. Our General Managers expect that overall results for this year will be slightly higher than for the year under review. In 1975 however our production will be coming solely from lower grade ground and must be expected to contract accordingly.



Mr. Niall Macdiarmid, chairman of CompAir, who reports a £2.94m. advance in first-half profits.

DIVIDENDS ANNOUNCED

Company	Current payment	Date	Corre. of sp. div.	Total year	Total last year
Alliance Inv.	1.63	July 21	1.26*	2.45	2.07
American Assoc.	1.0	July 16	0.18	1.0	0.18
Armitage Shanks 2nd int	2.23	Oct 1	2.23	4.2	4.2
Attwood Garages	0.54	July 27	0.44	1.45	1.45
Bluemel Bros.	1.5	Sept. 8	1.25	2.75	3.34
Carlton Inds.	3.4	Aug. 15	3.09	4.9	4.47
Chubb	2.27	Aug. 21	2.0	3.5	3.12
CompAir	1.5	Oct 1	1.43	1.43	—
CompAir	1.5	Aug. 26	1.2	3.21	3.21
Ferro Metal	2.19	—	3.11†	3.69	4.61†
Goldrei Fouchard	1.4	Aug 1	1.46	2.4	2.16
Highgate & Job	1.4	Aug. 15	1.29	2.0	1.84
Inver Gordon Distillers	0.7	—	0.59	0.7	0.59
Lendin Rubber	3.0	Oct 3	2.8	4.4	6.0
Lindustries	1.63	July 27	1.63	1.63	1.63
Piccadilly Theatre	0.82	Aug. 23	0.73	1.57	1.43
Porter Partnerships	0.45	—	0.35	0.45	0.35
Trident Printers 2nd int	1.53	—	1.72	3.29	2.99
United States & Gen.	1.53	July 15	1.43	—	4.94
Victoria Carpet	0.97	Aug. 18	0.97	1.41	1.41
Warren Plantation	6.1	—	4.15	9.1	6.73

Dividends shown hence per share net except where otherwise stated. *For 50p issue. †On capital increased by rights and/or acquisition issues. ‡Comparatives relate to Warren Tea Holdings. §For 18 months. ¶For 15 months.

Increase to £6.61m. by Lindustries

BOTH TURNOVER and profit of all divisions at Lindustries showed increases during the year ended April 2, 1977, and the directors report that the current year has started well.

Turnover for 1976-77 was £76.96m. and pre-tax profit £6.61m. For the previous 12 months the figures were £70.4m. and £3.13m. respectively and the 18 months to April 3, 1976, £104.89m. and £7.03m. respectively.

Stated earnings per 25p share are 17.6p. This compares with 12.9p and 17.4p respectively. The net final dividend for 1976-77 is 3p for a total of 4.4p, compared with 6p in the previous 18 months. An additional payment will be made.

Exports increased by 25 per cent. over the year. The improvement in the engineering division is largely attributable to strong performances by the subsidiaries manufacturing motor vehicle components and equipment for the brewing industry. Good results were also recorded by the company producing metal forming machinery and bulk handling equipment for the mining industry.

Four of the companies in the polymer division returned profits, with particularly good performances in the plastic dispensers and rubber moulding businesses. The other two subsidiaries had a difficult year due to unfavourable trading conditions.

Year 18 mths. 1976-77 1975-76

Turnover	76,960	70,400
Engineering	18,864	18,867
Polymer	14,556	17,700
Textile	19,933	22,388
Textile	2,583	2,583
Trading profit	6,622	7,099
Engineering	2,247	2,038
Polymer	2,285	2,285
Textile	2,159	2,687
Overseas	1,297	1,297
Investment	176	176
Interest payable	499	499
Minorities	200	200
Profit before tax	6,605	7,021
Taxation	5,079	3,429
Minorities	3,285	3,285
Extraord. debts	189	682
Attributable	1,126	3,244
Preferred	39	39
Ord.	619	1,165
Retained	2,274	2,782

Margins in the textile division were under pressure in the home market but profits were maintained. As a result of the high level of export in the thread business and also to increased profits from the yarn manufacturing company in Eire. The netting and twine business was sold during the year.

Carlton up 40% & expanding

ON A TURNOVER showing a marginal increase from £76.25m. to £77.29m., profits of Carlton Industries, a principal subsidiary of London Merchant Securities, jumped by 40 per cent. to £7.51m. in the year ended March 31, 1977. This takes them well above the previous record of £5.52m. reached in 1973-74.

The directors report that group borrowings have been reduced to 43 per cent. of the total capital; if present trends continue a further substantial profit rise with a further reduction in gearing are expected in the current year.

Earnings per 25p share based on actual tax charge are shown at 20.6p (8.2p) and on a notional 53 per cent. tax charge at 12.9p (8.3p). The dividend total is £22.1m. against tangible shareholders' funds of £29.4m. However, with a final of 3.4p.

showing no signs of retreating. Elsewhere housebuilding (Carmen) has been dull but there is a 9 per cent. increase in profits, adjusting the comparable figure for the change in accounting, whereas whisky profits (Inver Gordon) are on a strong upward trend. Blended whisky exports are expanding and U.K. customers (Inver Gordon) mainly sell single blends to other markets (Carmen) are building up stocks in anticipation of long-term growth. The year Carlton sees both the brewery and whisky divisions pushing ahead and group profits reaching new heights. Pre-tax-improvement projections to back up the shares at 108p, where the yield is 7.2 per cent. and the p/e is 3 (or 8.1 on a full tax charge). Borrowings are now down to £22.1m. against tangible shareholders' funds of £29.4m. However, most of the market interest is centred around London Merchant Securities' 78 per cent. stake, and the fact that it will do some thing to buy out this minority sooner rather than later.

It has been decided to implement the proposals contained in the 1975-76 profit-sharing scheme which has been made for deferred tax where it is unlikely to become payable within a five-year period. A notional tax charge of 52 per cent. would have been £4.06m.

Comben Group, the housebuilding offshoot, which announces a marginal rise in profits from £1.17m. to £1.29m. has suffered its accounting policy to the more conservative basis of not adding interest to land values and of taking profits only when legal contracts have been completed. The 1975-76 profit-sharing has been adjusted on the old accounting basis that year's profit was £1.33m.

The directors say that the result comes at the end of a difficult year when interest rates created great uncertainty in the market. Trading for the year to date shows some increase over the comparable period of last year and profits for the current year are expected at least to be maintained at last year's level.

Earnings per share on actual charge are stated at 4.9p (2.5p) and on notional 52 per cent. charge at 2.4p (2.2p). The dividend is unchanged at 1.45p net, with a final of 1p.

At the whisky subsidiary, Inver Gordon Distillers (Holdings), profits rose from £1.33m. to £1.54m. and earnings per 25p share went up from 3.22p to 7.04p. On a notional tax charge of 52 per cent. earnings would be 4.54p (3.53p).

The dividend is raised from 1.8438p to 2p net, with a final of 1.4p.

comment

The major driving force behind Carlton's 47 per cent. increase in profits comes from the batteries division, where profits are higher by two-thirds on a sales advance of 28 per cent. Replacement demand has been soaring ahead because of the effect of last year's hot summer, and is evidently £100,895 (£140,919).

TAXABLE profit of £276,895 on sales of £19,70m. is shown by international merchants Ferro Metal and Chemical Corporation in 1976. For the previous 13 months profit was £356,554 on sales of £18.81m.

Scaled earnings per 10p share were 5.3p (17.5p) and the net final dividend is 2.15p for a total of 3.85p (14.60p). After tax of £176,000 (£213,885) the net balance emerged at £197,895 (£240,919).

Expanding?



GMC offers a helping hand

with information on property and land availability, with help in claiming government grants and other assistance, with advice on various regulations, planning matters, sources of funds and many other problems.

Have a talk with: The Industrial Development Group, Greater Manchester Council, County Hall, Manchester M60 3HP, Telephone 061-247 3311

"We look forward to another year of record results"

Extracts from the Statement to Shareholders by Mr. R. L. Doughty Chairman.

"The company had a very successful year in 1976 and I am pleased to tell you that trading to date in 1977 has shown further advancement.

The headway made resulted from improvement in almost all our interests and is summarised in the following figures for 1976:-

Sales	£35,003,496 + 49.45%
Profit before tax	£2,606,109 + 44.23%
Tax	—
Profit available to Ordinary shareholders	£1,290,419 + 92.72%
Profit per Ordinary share	39.71p + 27.40%

As you can see the increases were very much more than the rate of inflation and therefore represents substantial improvement in real terms to your company.

The dividend was increased by one-tenth—the maximum permitted by current legislation and as you will have read in the recent letter regarding the issue of additional shares, H.M. Treasury has granted permission, in the context of the rights issue, to increase the dividends for the current year's trading by 25%.

PROSPECTS

Almost all sectors of the business show increases in the first quarter of the year. We therefore believe it is reasonable to look forward to another year of record results, though it would perhaps be too optimistic to anticipate percentage increases as large as those we were fortunate enough to secure in 1976."

Marshall's Universal



Never heard of it!

That's hardly surprising. Because Zurich Life is the brand new name of Zurich Insurance's life company in the U.K. Previously known as the Bedford Life Assurance Society, it was established in 1961, and has been expanding successfully since then. So, why the change of name? It's because Zurich feels that its life assurance operation should enjoy even stronger identification with the Zurich Group, which has worldwide assets in excess of £1,500 million. Zurich is big in life too. The gross premium income of its life offices throughout the globe topped £230 million in 1976 with funds in excess of £1,220 million. Zurich Life has recently introduced two new High Bonus Life and Endowment Assurance policies. These offer many advantageous features: initial guarantee of high profits; permanent life assurance cover; option to increase cover and additional benefits option. And the inflation-fighting Z Investment Plan, introduced last year, has already proved to be very successful. Now, plans are well advanced for a further range of new investment policies. If you would like any further details of Zurich Life Assurance Company and their attractive policies, please fill in the coupon below, or ring your nearest Zurich or Zurich Life office where you will be automatically transferred, at no cost, to Zurich's centralised Life Information Service, at Head Office, Portsmouth.

To: Zurich Life Assurance Co. Ltd., Freeport, Portsmouth PO1 2BR. FT16/6/77 Please send me details of your High Bonus and Z Investment policies.

Name.....

Position.....

Company.....

Address.....

ZURICH LIFE

Handwritten signature or initials.

Pritchard Services Group

DECADE OF UNINTERRUPTED GROWTH

	1976	1975
Sales	£43.6m	£37.0m
Trading Profit	£ 2.2m	£ 1.9m
Dividends	1.3302p	1.2093p
Earnings per Share	3.60p	3.22p

HIGHLIGHTS FROM CHAIRMAN PETER PRITCHARD'S 1976 REPORT

- BUILDING CLEANING SERVICES—SATISFACTORY GROWTH
- EXTENDED INTO HYGIENE SERVICES—PROVIDING SPECIALIST KITCHEN AND WASHROOM CLEANING
- LINEN RENTAL CONTINUED GROWTH—EXTRA CAPACITY ADDED TO BASINGSTOKE PLANT
- SECURITY SERVICES, TIMBER PRESERVATION AND DAMP PROOFING DEVELOPED SATISFACTORILY
- OVERSEAS DEVELOPMENT NOW ACCOUNTS FOR 50% OF TURNOVER

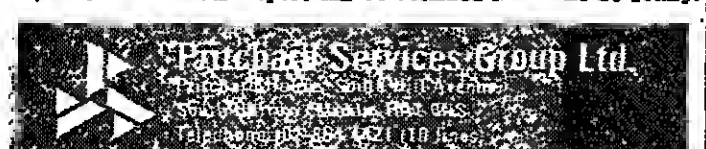
EXTENSION INTO PUBLIC CLEANSING SECTOR THROUGH PARTICIPATION WITH WASTE MANAGEMENT INC. IN THE £140M. STREET SWEEPING, REFUSE COLLECTION AND DISPOSAL CONTRACT IN RIYADH, SAUDI ARABIA

CANADIAN INDUSTRIAL CATERING COMPANY SECURED £5M. JAMES BAY CONTRACT PROVIDING CATERING AND JANITORIAL SERVICES FOR 2,700 CONSTRUCTION SITE WORKERS

CURRENT YEAR'S FIRST QUARTER'S PROFITS AFTER INTEREST UP 27% ON LAST YEAR

The A.G.M. will be held at Winchester House, London Wall, London EC2 on Friday, 24th June 1977 at 12 noon.

Copies of the Annual Report can be obtained from The Secretary.



Hill Samuel seeking more growth overseas

WITH INCREASED insurance profits making up for the decrease on the banking side in 1976-77, Sir Kenneth Keith, chairman of the Hill Samuel Group, says that it is this wide spread of activities, all having a financial or service base, which should ensure stability of performance and quality of earnings in future years.

However, he feels that until inflation is reduced to a level approaching that of principal competitors—particularly the U.S.—the outlook for this country and for sterling cannot be good; and North Sea oil prospects will not alter this.

The chairman believes that inflation remains the most serious problem affecting this country—and it remains a serious problem for the group. Not only does it drive up costs but it also erodes the capital base with consequent effect on lending abilities.

"Although I look forward to the future with reasonable confidence I believe the next 12 months will be a most difficult time both for the country and for most companies operating in it," declares Sir Kenneth.

In the year ended March 31, 1977 group net profit was lower at £6.71m, against £9.98m. Commenting on the commercial banking side the chairman says that the economic revival has so far not taken place and loan demand has remained weak. While the balance sheet shows material advances over the year, the real increases in volume, after allowance for increased value of sterling value of foreign currencies, are relatively insignificant.

Foreign exchange business continues to be a substantial profit earner and a second office is to be opened in the West End of London in the current year.

The chairman says that it has been a successful year for investment banking. The international finance business also made good profits helped by the buoyant state of the international bond market. Marketing efforts in Japan, in particular, have met with success, while in the Middle East a number of financings have been made.

The overseas subsidiaries here maintained the improved results shown in 1976-77. However, the chairman remains convinced that the group should continue its efforts towards greater overseas expansion and a number of steps have been taken to this end.

In South Africa the group has been adversely affected by the decline in the local property market as a result of which provisions have been necessary, to the detriment of profits.

Referring to the Louwes Lambert Group, Sir Kenneth reports that efforts are being made to increase overseas income while continuing to raise the high level of income from the U.K. The company is well placed to capitalise on the continuing building boom in the Middle East and to continue to invest in the leading construction risk brokers in this region.

Profits of the insurance broking and underwriting offshoots increased from £2.21m. to £3.71m. in 1976-77.

During the year the group sold one of its ships at a price well in excess of book value. The remaining three ships have traded at a loss of £579,000 (£81,000).

At the year end total assets amounted to £1.15bn. (£936m.)—despite a total of £76.56m. (£54.22m.) and advances £58m. (£32.79m.).

Wire & Plastic sales growth

Mr. J. R. Valentine, chairman of Wire and Plastic Products, told the annual meeting that the policy of expanding the range of products had resulted in a substantial increase in turnover to the highest level in the history of the group.

Export sales, particularly in Europe, had been extremely good. He hoped to maintain this satisfactory trend and to report larger profits for the full year.

BEDFORD LIFE NAME CHANGE

Bedford Life Assurance Society, the life company subsidiary of Zurich Insurance Company, is changing its name to Zurich Life Assurance Company.

Bedford Life was formed in 1961 and has grown steadily. Zurich Insurance considers that it is the right time for it to be more closely identified with its parent and hence the reason for the name change. The company has recently introduced a new High Bonus series of life assurance contracts and plans are well advanced for the marketing of other contracts designed to attract the attention of investors. This is regarded as the beginning of the

next phase in the development of the life company.

T. Harrison ahead at four months

Mr. T. C. Harrison, chairman of Sheffield-based vehicle distributor T. C. Harrison, told yesterday's AGM that the group is heading for another record year.

Mr. Harrison also revealed that the group intends reorganising the geographic spread of its activities to concentrate operations on the eastern side of the Pennines and actively pursue further south within the area through acquisitions.

He told holders that 1977 had got off to an excellent start, and that profits for the first four months of the current year are considerably in excess of the comparable period of last year.

The group is still woefully short of cars and commercial vehicles and the position is not likely to improve in the short term, he said. However, the JCB division is making good use of the manufacturing plant to supply its needs. Over the past few years the group has learned to live with vehicle shortages, he added.

"Since the enlargement of the JCB franchise the group is increasingly operating on the eastern side of the Pennines with the single exception of the car and truck franchise in Newcastle-under-Lyme. This depot contributes approximately 5 per cent of group profits and after careful consideration the directors have decided to make this subsidiary available for sale, the chairman said.

"It is my intention on disposal to place equity owned Japanese or Japanese companies," he added.

ANDREW WEIR

Andrew Weir, the private insurance broking and underwriting group, has acquired a 25 per cent holding in Resource Evaluation for an undisclosed sum. The shares were originally held by Fraser Ansbacher.

WILLIAMS HUDSON

Following the offers by Argo Group for the Ordinary and S.S. per cent convertible unsecured holding in Resource Evaluation, Williams Hudson Group, it now owns 52.52 per cent of the Ordinary. The offers close on July 1.

MINING NEWS

Marandoo looks to South Asia

BY PAUL CHEESERIGHT

AGAINST the background of Japanese reservations on large scale extra commitments to the development of the Western Australian iron ore industry, Mr. Marandoo has been seeking market outlets in the Middle East and South East Asia for Marandoo, the huge deposit which awaits exploitation.

Mr. Hancock's company, Hancock, is the joint owner of the deposit with the diversified U.S. group, Teasdale.

The idea, as revealed to the Australian financial press by Mr. Hancock, is to sell iron ore to the string of electric arc steelmaking furnaces being built or planned in the Middle East and Asia. Iron ore could go from Marandoo to an offshore beneficiation plant in perhaps Singapore or Indonesia and then be re-exported to the steel mills.

The possibility of selling 3m. tonnes of iron ore to the Indonesian steel industry has also been raised.

But it seems unlikely that Marandoo could be brought to production on a major scale without Japanese orders. The partners have a letter of intent for the purchase of steel mills and other future purchases but no contract.

Japanese caution about future iron ore needs was made clear when Hancock's company opted to sign contracts for extra supplies from existing Western Australian producers like Hamersley and Cliffs Robe River rather than cooperate in investment in a new project like Marandoo.

Later this year Hancock's revised downwards their projections for steel supply. Crude steel production in 1980 is expected to be 12m. tonnes and other forecasts of 15m. tonnes and an industry capacity of 13m. tonnes.

CAROLIN MINES SEEKS MORE ORE

Canada's Carolin Mines has arranged financing of \$21.5m. (£8.5m.) for an extensive underground drilling programme and the completion of feasibility study of its gold prospect near Hope, B.C., reports our Toronto correspondent. Carolin shares were selling at \$2.50 recently in the Vancouver Stock Exchange in a 1977 range of \$2.50-\$1.36.

Objective of the programme is to provide the detailed grade and tonnage data for the feasibility study on the currently reported drill-indicated reserves of 3.5m. short tons grading 0.14 ounces gold per ton. The work is to include a minimum of 2,000 feet of new drill holes, 100,000 feet and 40,000 feet of underground diamond drilling.

At the same time, the work will test potential ground which, if successful, could extend the overall tonnage to the 10m. tonne range, the president, Mr. Orval Gillespie, said. He added that it is known from the drilling that there are higher grade sections in the ore zones.

ROUND-UP

The Philippines gold producer, Benguet Consolidated, has declared a mid-year cash dividend of 23 cents per share. The meeting in Manila the company did not anticipate paying cash dividends "probably for another couple of years" because of tender stipulations regarding the mining expansion programme. The chairman, Mr. Jaime Ongpin, says, however, that the latest payment will be funded largely by income from the company's engineering subsidiary, The Malayan tin producer, Benguet Consolidated.

Investments and bank interest for six months ended December 31, 1976, £13,000 (£22,016 and £28,228 for year ended June 30). Managerial charges £2,000 (£2,000 and £2,000), surplus before taxation £4,400 (£10,186 and £28,228), less tax £1,400 (£2,000 and £2,000), leaving £3,000 (£8,186 and £21,228). Special dividend proposed £1,000 (£1,000 and £1,000), leaving £2,000 (£7,186 and £20,228). Proposed dividend and taxation of £1,000 being sought with intention of making repayment in September next. Chairman, Mr. J. H. G. Jones, June 29, 1977.

TURNBULL SCOTT SHIPPING COMPANY—Results for year to January 31, 1977, already known. Fixed assets £15m. (£15m. and £15m.), current assets £15m. (£15m. and £15m.), net liquid funds down £25m. (£25m. and £25m.). At year end capital commitments about £15m. (£15m. and £15m.). The company has close status. Meeting, Exchange Chambers, E.C. 3, June 29, 1977.

VERNON FASHION GROUP—Results for year to January 29, 1977, already known. Fixed assets £12m. (£12m. and £12m.), current assets £12m. (£12m. and £12m.), net liquid funds £12m. (£12m. and £12m.). Mr. P. H. Vernon and wife hold 33.7 per cent of Ordinary and Mr. D. Westreich and wife hold 19.9 per cent. Chairman reports that sales for current year are higher than anticipated and continued growth and increased profitability. Meeting, New Bazaar, 7th, July 8, noon.

WILLIAMS AND SONS (HOLDINGS) LIMITED—Results for year to December 31, 1976, reported May 12. Fixed assets £10.5m. (£10.5m. and £10.5m.), current assets £10.5m. (£10.5m. and £10.5m.), net liquid funds £10.5m. (£10.5m. and £10.5m.). Increase in net fixed funds £10.5m. (£10.5m. and £10.5m.). Meeting, Cardiff, July 4 at 2.30.

Rio Tinto-Zinc & Westinghouse

RECENT WEAKNESS in shares in Rio Tinto-Zinc, which over the past seven days have fallen from 250s to 200s with a resultant drop of 500m. in the company's market value, have stemmed from uncertainties regarding the current U.S. litigation concerning Westinghouse Electric Corporation.

In an attempt to clarify the situation the U.K.-based mining group stated last night:

"RTZ wishes to make it clear that the appearance of certain RTZ executives before Judge Merlino sitting as an examiner at the U.S. Embassy in London results from the attempt by Westinghouse Electric Corporation to obtain information from uranium producers around the world which Westinghouse alleges would assist in its defence in an action brought by a number of U.S. utilities in a Virginia court, against Westinghouse for breach of its contracts with them.

"The situation referred to in the RTZ annual report on accounts for 1976 concerning the proceedings in the U.S. District Court in Illinois, brought by Westinghouse Electric against RTZ, certain U.S. utilities, and certain group companies, remain unchanged.

"As was then stated, RTZ and the group companies deny liability and, with the exception of two United States incorporated group companies, do not accept the jurisdiction of the Federal District Court in Illinois. On legal advice RTZ and the other group companies concerned (except the two United States incorporated companies) have not appeared in the proceedings.

"In other words, important though the current litigation is it does not directly affect RTZ. What will affect RTZ will be the outcome of the pending separate litigation between Westinghouse and the alleged cartel of world uranium producers. The latter is expected to be a series of judicial proceedings which seem likely to be very long lasting, even by legal standards.

"The deal covers a temporary reserve near Kitchener, a whistle-stop on the Trans-Australian Railroad 263 kilometres east of Kalbarrie. At a meeting in London the chairman, Mr. Derek Gascoigne, said only that his company had "taken up an area in which the only two drillholes spaced eight kilometres apart, both contained low grade anomalous uranium concentrations in carbonaceous sediments."

He added that "this area has attracted the interest of a large corporation connected with a foreign government. Negotiations with this corporation have produced agreement in principle on a joint exploration programme by this company with the corporation concerned. It is expected that formal agreements will be exchanged in the near future."

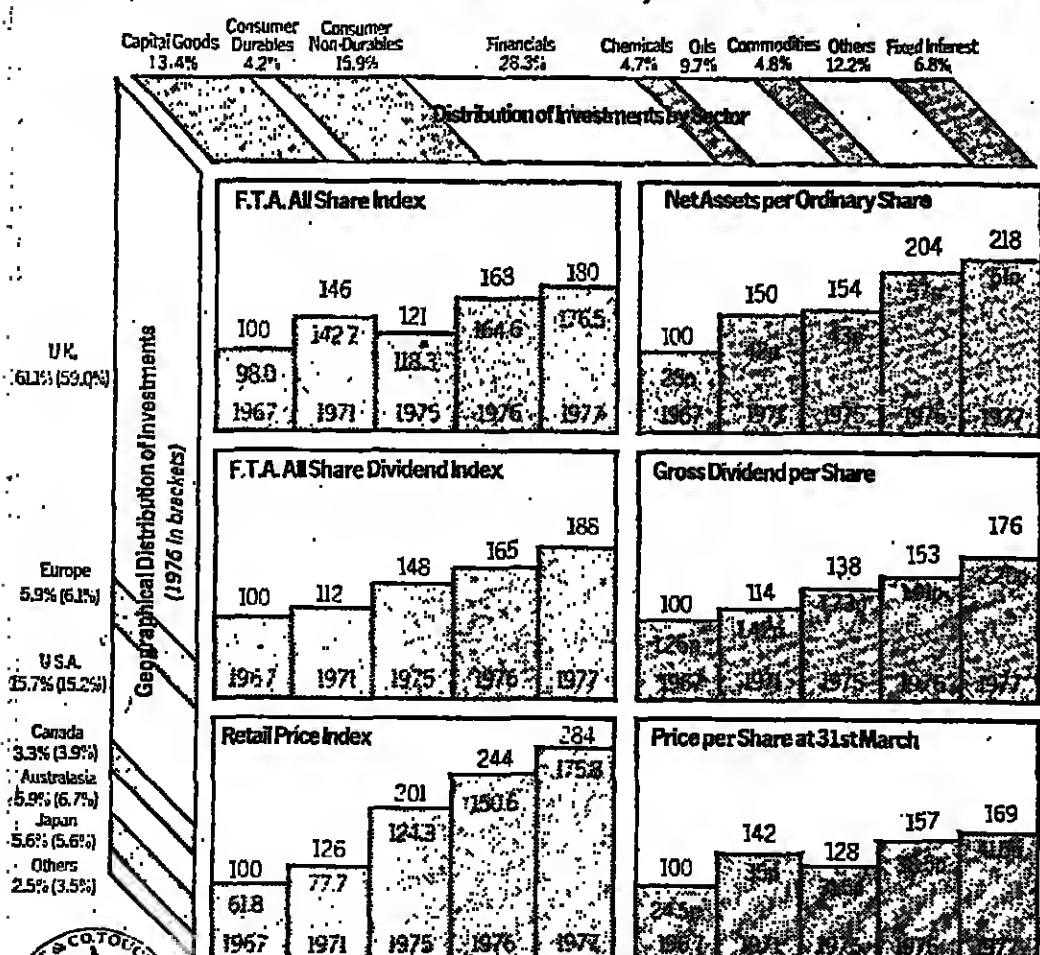
It remains to be seen whether the Kitchener venture report has any more significance than the many others of a similar nature that concerned a new element of the periodic table, uranium, in the old nickel boom days. Certainly, there has been little share market interest in Magnet Metals which in London yesterday remained at a rather nominal 15p to 20p.

MINING BRIEFS

MOUNT ISA MINES—Production in the period May 9 to June 5. Lead ore treated 28,541 tonnes, produced 11,401 tonnes grade lead and 1,522 tonnes concentrates. Copper ore treated 28,541 tonnes, produced 11,401 tonnes blende, 1,522 tonnes concentrates.

The Industrial and General Trust Limited

Total Assets at 31st March, 1977: £155.1 million.



A member of the Touche, Remnant Management Group. Total funds under Group management exceed £600 million. The Report and Accounts can be obtained from The Industrial & General Trust Ltd., Winchester House, 77 London Wall, London EC2N 1BH.

The Guardian Investment Trust Company Limited

Mr M B Baring, Chairman, reports for year to 31st March 1977

- Record Gross Revenue
- Record Dividend Payment
- Outlook: further increased earnings and dividends at least maintained

Year	Gross Revenue £000	Net Dividend p.	Net Asset Value p.
1967	1,476	1.06	47.5
1975	2,141	1.75	64.3
1976	2,351	1.96	83.3
1977	2,704	2.35	93.0

Total assets of £56,000,000 spread as follows:

UK 66% N. America 13% Far East 10% Europe 10% Other areas 1%

Individuals constitute 84% of Shareholders and hold 25% of all issued shares.

Inflation rate will start to ease soon, says report

THE WORST days of rising prices were over, and by the end of summer the inflation rate should be on a firmly downward path—a cost of living survey produced by Reward Regional Surveys said yesterday.

The report said living standards were still being squeezed. Prices were still being squeezed. The report said living standards were still being squeezed. Prices were still being squeezed.

On prices, the survey said consumer prices were rising at an annual rate of 17.1 per cent, but in the last four months there had been "encouraging signs of easing."

"The most dramatic improvement is in food prices—for long the Achilles heel of British inflation," the survey said. Fuel prices, the highest annual rates, being up 21.9 per cent, and 18.5 per cent, respectively.

House prices have continued to rise at about 10 per cent a year, but in the past four months, owner occupiers have seen housing costs fall by 1.5 per cent, thanks to the May mortgage cuts.

RESULTS AND ACCOUNTS IN BRIEF

ABERDEEN INVESTMENTS—Results for year ended March 31, 1977, already known. Fixed assets £1.15m. (£1.15m. and £1.15m.), current assets £1.15m. (£1.15m. and £1.15m.), net liquid funds £1.15m. (£1.15m. and £1.15m.). Meeting, Aberdeen, June 29, 1977.

AMERICAN ASSOCIATION—Turnover for 1976, £1,461,258 (£1,182,981). Profit £184,244 (£1,297) after interest £2,000 (£2,000) but before tax £184,244 (£1,297). Dividends per 25p share 1.2p (1.2p). Meeting, London, June 29, 1977.

ATWOOD GARAGES—Final dividend £2,370, making 1.45p (same). Turnover for year to Jan. 31, 1977, £1,238,858 (£1,238,858). Current assets £1,238,858 (£1,238,858). Dividends per 25p share 1.2p (1.2p). Meeting, London, June 29, 1977.

BELGRAVE ASSETS—Pre-tax profit for year to April 30, 1977, £21,998 (£21,998). Fixed assets £1,150 (£1,150 and £1,150), current assets £1,150 (£1,150 and £1,150), net liquid funds £1,150 (£1,150 and £1,150). Meeting, London, June 29, 1977.

DONAGHUA RUBBER ESTATES—Results for 1976 reported June 7. Investments £4,387 (£4,387), associate £9,801 (£9,801), current assets £12,216 (£12,216), net liquid funds £12,216 (£12,216 and £12,216). Meeting, London, June 29, 1977.

SECURITIES TRUST OF SCOTLAND—Results for year to March 31, 1977, reported April 21. Investments £45,800 (£45,800), current assets £45,800 (£45,800), net liquid funds £45,800 (£45,800 and £45,800). Meeting, Edinburgh, July 1, 1977.

SCOTTISH AGRICULTURAL INVESTMENTS—Results for year to March 31, 1977, reported April 21. Fixed assets £12,528 (£12,528), current assets £12,528 (£12,528 and £12,528), net liquid funds £12,528 (£12,528 and £12,528). Meeting, Edinburgh, July 1, 1977.

STRAVA ROMANA (BRITISH)—Income for year to March 31, 1977, £1,461,258 (£1,461,258). Meeting, London, June 29, 1977.

HEW REPORTS



ANOTHER RECORD YEAR—PROFITS £3.328 MILLION

18th CONSECUTIVE DIVIDEND INCREASE

If you want to know more write to:

HEWEN-STUART

Plant Hire—Nationwide 135 Buchanan Street, Glasgow G1 2JA

BRITISH-BORNEO PETROLEUM SYNDICATE LIMITED

Extracts from the Statement of the Chairman, Mr. Campbell Nelson, at the 63rd Annual General Meeting held in London on 15th June, 1977

The pre-tax profit of £767,000 and the net earnings of £403,000 are records for the Company. Both the interim and proposed final dividends have been increased to the maximum extent permitted by Government.

The Stock Exchange value of our quoted investments at the end of the year was £9,174,000 which exceeded the Balance Sheet figure by £524,000, an improvement of £572,000 compared with the position at the end of the previous year. Since the end of the year there is a further appreciation in Stock Exchange values giving us today an additional surplus of £556,000.

We have continued our increased activity in market dealings. The outcome for the year was very satisfactory in that the profit on dealings amounted to £395,000, compared with £341,000 in the previous year.

The make-up of our Quoted Investments at 31st March last, at their net Stock Exchange values, was 79 per cent Oil Companies, 10 per cent Gold Mining and Mining Finance Companies, 9 per cent Industrials and 2 per cent Preference Shares. These percentages reflect higher values and increased investment in Oil Companies and lower values and some divestments in Gold Mining Companies.

We have entered into arrangements with Ultramarine Company Limited to join them, as partners, in oil and gas plays in Western Canada. Our initial investment, which will be modest, will be confined to operations giving promise of early pay-outs and attractive profitability.

Our main activity continues to be investment in oil companies. There is a changing scene in the oil world. More and more of the ownership of oil reserves is passing into the hands of governments. The role of oil companies is to contribute expertise and risk capital to oil operations in a variety of forms. These include partnerships and production sharing contracts with governments and government owned companies as well as a continuation of the traditional forms of investment in all phases of the industry. The major oil companies have also made a significant move into diversification, particularly in the energy related fields. I believe these changes augur well for the oil companies and with the changes will come an improved image of the industry in the eyes of peoples and governments of the world.

I want to pay a tribute to all of my colleagues on this Board of Directors. Each contributes an expertise which is reflected in the results I have presented to you. We are all enthusiastic to make a great success of this Company. In mid-December Consolidated Gold Fields made an offer for the shares not held by them at a price which was fair. By the time the documentation for the offer was completed the Stock Market had moved upwards and has continued to be materially higher than it was in mid-December. Gold Fields did not feel that it was in a position to offer which therefore I know that it has not diminished in any way Gold Fields' friendship for us in this Company or our enthusiasm for the well-being and continued success of our operations.

Copies of the full Statement and the 1977 Report and Accounts are available from the Secretaries of the Company, 1-2 Broad Street Place, London EC2M 7EP.

BIDS AND DEALS

Fodens forecasting £1.7m. profit

Fodens, the specialist commercial vehicle manufacturer, is estimating pre-tax profits of around £1.7m. for the year ending April 3, 1977, in its first official reply to the unwelcome £8.5m. takeover bid from Rolls-Royce Motors.

Cavenham bid unconditional

Sir James Goldsmith's £40m. bid, through his French company Generale Occidentale, for half the shares of Cavenham which it does not already own, has been declared unconditional, as has the offer for half of the Cavenham warrants, and both offers have closed.

growth and that shareholders have much to gain from Fodens remaining independent. See Lex

VAUX DENIAL

The directors of Vaux Breweries state they are aware of the rumours surrounding recent movements in share price and have issued a statement to employees saying that so far as they know there is no more substance in the current rumour than in any previous one.

SHARE STAKES

John I. Jacobs, Mr. John H. Jacobs, director, and family now have a 50 per cent. interest in 1.65m. shares (7.18 per cent.). A beneficial interest of 200,000 shares in the name of Loyds Bank Trustees having become a non-beneficial interest.

BLUNDELL PERMOGLAZE

Britannia Trust Management, the unit trust arm of Slater & Co., has announced yesterday that funds within the group had sold collectively a stake representing around 71 per cent. of the equity of Blundell-Permoglaze, the paint group.

Hay's Wharf sells Firth for £2.6m.

Proprietors of Hay's Wharf have sold its loss-making J. C. Firth (Refrigeration) subsidiary for £2.6m. in cash. The deal covers the goodwill of the assets and business of Firth, excluding debtors and creditors, and takes effect from June 15.

Cunard's £3.3m. purchase

Cunard Steam-Ship, a subsidiary of Trafalgar House, has purchased the Transmeridian Group for a maximum £3.3m. payable in cash, for assets not less than £2.4m. A pre-tax profit of £1m. for the current year is anticipated.

BEST & MAY

Shareholders in Best and May have been sent details of the acquisition of Kent Electrical Wholesale which was first announced on May 11. Consideration for the deal is the issue by Best and May of 250,000 Ordinary shares and, in addition, £40,000 cash will be paid for the freehold premises from which Kent Electrical conducted its business.

TREMLETTS

In yesterday's item on Voke Securities and Tremletts it was incorrectly stated that Voke had received offers for 77.5 per cent. of Tremletts, had declared the offer unconditional. The offer has been extended until July 1.

CHLORIDE GROUP

Chloride Group has issued a further 35,822 Ordinary shares in accordance with the terms of the acquisition of Industrial Instruments.

ASSOCIATE DEALS

Rawe and Pitman, Hurst-Brown has bought for a discretionary investment client £10,000 Rolls-Royce Motors Holdings 8 per cent convertible unsecured loan stock 1987-2002 at 87.5 per cent.

Intereuropean sees recovery

THE COMBINATION of sales already achieved and those under negotiation will result in such a large reduction in overall borrowings of Intereuropean Property Holdings that the immediate savings in interest charges will, on an annualised basis, clearly return the company to profitability and therefore the payment of dividends, says Mr. Laurie P. Marsh, chairman, in his annual statement.

Marshall's Universal sees progress

The directors of Marshall's Universal look forward to another year of record results but feel it too optimistic to anticipate the advance of the size achieved in 1976, says Mr. R. L. Doughty, the chairman, in his annual statement.

The purchase of the Airport Park Hotel in Los Angeles was completed in February and clearly year finance was arranged on "favourable" terms. The hotel will not be making a contribution to cash-flow for at least two years as all profits will be rapidly used in interest and capital repayments. The profits for the first four months of this year have exceeded budget.

The official rejection document, which describes the bid as being both inadequate and without commercial logic, also tells shareholders that the current year has started well and that bearing the collapse in the demand for trucks, results for the new financial year will be "satisfactory".

Mr. William Foden, the chief executive, said yesterday that any improvement in 1977 was unlikely to be dramatic but added that the results of all the work that the Board has put in since 1974 will not emerge fully until 1978-79.

Fodens, which got into financial difficulties in 1974 and was effectively saved by institutional support to the summer of that year, has introduced a new range of trucks and has moved out of the red—a loss of £1m. was recorded for 1976—back into profit.

The institutional element, which will be decisive in the outcome of the bid should it develop into a full-scale "battle" is expected to account for 60 per cent. of the conversion into equity of the Convertible Preference shares.

The terms of the offer—seven F1 shares for every 12 F2 shares—values the latter at just under 41p per share at last night's prices. This compares with Fodens current share price of 46p.

Mr. Leslie Toller, the chairman of Fodens, says in the letter to shareholders, that the bid regards prospects for continuing will combine the automotive

Because of the substantial number of acceptances which require further verification, it is not possible to give the basis of scaling down, but GO promises a further announcement as soon as possible.

MILES REDFERN

Agreement has been reached by Miles Redfern (a subsidiary of BTR) and Bury and Masco Industries, subsidiaries of Bury and Masco (Holdings), to form a new company, Miles Masco. It regards prospects for continuing will combine the automotive

Minimum profit protection under new prices policy

FINANCIAL TIMES REPORTER

RULES ON the minimum levels at which company profits are protected from compulsory reduction under the new prices policy are set out in a consultative document published by the Department of Prices and Consumer Protection yesterday.

Investigations into manufacturing and service companies will relate to individual products or services or to the ranges of products or services. The safeguards will be applied primarily to the product or service under investigation.

Bill It is clear from the Bill, notably Clause 2—that both the Commission and the Secretary of State will take account of the relationship between the product or service and the enterprise, and the price concerned. This relationship cannot easily be reflected in a general formula which is sufficiently precise to be applied directly by companies as a relief from price restriction orders.

Nevertheless, the Government recognises that especially during investigations the safeguard needs to relate not only to the product itself but also, even if indirectly, to the circumstances of the enterprise.

After an investigation, or examination, the Price Commission will be able to reflect in its recommendation the relationship between the product and the enterprise, and the safeguard will then relate only to the product.

The Government proposes that both during and after investigations (and after examinations) the minimum margin over total costs for any product or service (or range) should be 3 per cent. This compares with 2 1/2 per cent. in the present Code.

The Government recognises, however, that this minimum margin is of little reassurance to many capital-intensive groups, which require substantially higher margins over costs on each sale in order to service their larger capital requirements.

Accordingly the Government proposes to introduce a sliding scale to give higher minimum margins to those which have larger capital bases in proportion to their turnover. The ratio of turnover to capital will be calculated for the unit for net profit margin control (under the Price Code) of which the product or service under investigation forms a part.

The ratio will then determine the entitlement to a minimum margin for each product or service (or range) within the net profit margin unit, in accordance with the following table:

Table with 2 columns: Turnover/capital ratio (margin over total costs) and percentage (3% to 10%).

The turnover/capital ratio will be the ratio from the enterprises latest complete accounting year for which accounts are available. Capital will be defined on

On this basis, and with a published report and an order subject to a supplementary procedure, the safeguard which applies after investigation and examination and which releases an enterprise from the full application of the order should properly be less protective than the safeguards which could be invoked during investigations.

Accordingly the post-investigation and post-examination safeguard against erosion should be 50 per cent. of base margin on the product or service described above.

Floor

This would not involve any reduction of an interim price increase and during an investigation, or of the price level recommended by the Commission in its report, or of any higher price level prescribed by an order. The 50 per cent. safeguard would act as a floor to the erosion of margins during the passage of time.

Margins over total costs on products or services (or ranges) should be calculated on similar lines to the calculations required for the cost-based controls in the existing Price Code, but with a number of detailed changes.

The following are the most important aspects of the calculations: (a) Total costs should be calculated per unit of output as under the existing Code, but the current adjustments for expansion and higher export sales will not apply to the new safeguard.

(b) The present option for calculation of depreciation charges (between multiplying historical prices by a factor of 1.4 and using revaluations which have already appeared in annual accounts as the basis for depreciation) will continue to be available. So will a provision on the lines of the present Code to enter prices to use the latest delivered price for the costing of materials.

(c) The calculation of margins will exclude prices or changes exempted from the scope of investigation or within the exemption power in Clause 22 (2) of the Price Commission Bill—for example, export prices.

(d) Margins will be required to relate to the ranges of products or services consistently used by companies in the past for their price increase notifications.

(e) Margins—both at the time when the safeguard is invoked and, where appropriate, the base margin for the purposes of the erosion safeguards—will be expressed in percentage terms and will be measured at the date of a price increase rather than over a period.

The base margin for the erosion safeguards will, for price increases requiring notification to the Price Commission, be the margin at the date of the latest price increase to be implemented before July 1, 1977, taking account of the costs quoted as entering into the pricing in the notification of the relevant increase.

Advertisement for ENNIA N.V. featuring \$25,000,000 convertible subordinated debentures due 1988/1992. Includes offering price 100% and a list of 40 international banks.

CREDITANSTALT-BANKVEREIN

U.S. \$40,000,000 Floating Rate Notes, 1981. Notice is given pursuant to condition 3(d) of the terms and conditions of the above-mentioned Notes that the rate of interest (as therein defined) for the interest period (as therein defined) from 18th June, 1977 to 16th December, 1977 is at the annual rate of 7 per cent. The U.S. Dollar amount to which the holders of Condon No. 3 will be entitled on duly presenting the same for payment will be U.S. Dollars 35,583,333.33 subject to such amendments thereto (or appropriate alternative arrangements by way of adjustment) which we may make, without further notice, in the event of an extension or shortening of the above-mentioned interest period.

INTERNATIONAL FINANCIAL AND COMPANY NEWS

GERMAN COMPANIES

Krupp looks to special steels to end losses

BY JONATHAN CARR

ESSEN, June 15.

FRIED KRUPP, the diversified West German industrial concern, hopes to get its loss-making steel sector out of the red this year through further rationalisation and greater emphasis on special steels production. Therefore, while Krupp is ready for talks on co-operation with other German steel companies, it does not feel impelled to initiate such discussions. Nor does it feel mergers will necessarily solve the problems of the German steel industry. This became clear during the annual Press conference of Krupp, whose other interests include shipbuilding, industrial plant manufacturing, and trade. Its results show a net profit of DM0.6m. after a loss of DM60.6m. in 1975, with losses on steel counterbalanced by good results in several other areas. The meeting comes at a time of intense speculation about the future shape of the West German steel industry. It is being widely asked whether a new structure is needed to match not only competitors outside Europe but also European enterprises enjoying subsidies. Krupp's own strategy to meet the steel crisis has been twofold. It has taken steps to build up its special steels business at the expense of the loss-making mass steel production. One key move in this direction has been the acquisition of a majority stake in Stahlerwerk Suedwestfalen, which is being included in the consolidated results from the start of this year. And it is aiming in the long term to concentrate its investment, especially on plant construction, and on the trade and services sector. Thus steel, with which the name of Krupp has so long been associated, will increasingly play a less important role in the concern. In fact this trend has been under way for some years. In 1970 steel accounted for 35 per cent. of Krupp turnover. Last year it accounted for 25 per cent., or DM3.1bn. out of total group sales which increased by 4 per cent. from 1975 to DM19.7bn. Group orders, however, fell by nearly 3 per cent. to DM19.8bn. One of Krupp's fears is that it may come under pressure, perhaps for political reasons, to merge with an ally, West German steel competitor to try to save jobs. But Krupp insists that simply creating blazer units will solve nothing. Nor is such a strategy likely to appeal to Iran, which last year decided to take a stake of 35.01 per cent. in Krupp GmbH (H

Bally to sell back ODB to Syndikats

ZURICH, June 15. C. F. BALLY AG net profit for the year ended April 30 rose to Frs.4.08m. from Frs.1.18m. the previous year. A dividend of Frs.30 has been recommended. This is the first dividend since the Frs.25 paid for the year to April 30, 1974.

The Board said it decided to sell back to Syndikats AG the Overseas Development Bank purchased in February this year, at the purchase price plus interest. Syndikats AG owns a majority stake in C. F. Bally AG. The Frs.22.5m. share capital of Overseas Development Bank was in possession of the holding company, Bally Anlagen AG, acquired earlier this year. The purchase price was not given.

The Board said Walter Heiner, who agreed to continue as chairman to ensure continuity of the company when it was taken over by Syndikats AG in January this year, has now resigned. The Board elected Walter Koenig as new chairman and Conrad Wirth as vice-chairman. Werner Rey, former vice-chairman and managing director, will continue as Board delegate, the statement said.

Terms revised for Time deal

TIME HOLDINGS INC. and N. V. Amev said that the previously announced preliminary agreement for the acquisition of Time Inc. by Amev has been revised to provide for a cash merger of a newly organized wholly-owned U.S. unit of Amev into Time, AP-DJ reports from Milwaukee. It is anticipated that the merger will be completed in early January, next year. Shareholders will receive a per share price subject to adjustment of at least \$33 a share. As previously announced, the Bank of Commerce unit of Time will be spun off to the shareholders of Time prior to the merger which is a subject among other things in the preparation and execution of a definitive agreement. It is also subject to the approval of the boards of Amev and Time and the shareholders of Time, the Wisconsin Insurance Commissioner. Insurance commissioners in other states where Time Insurance Company, the principal unit of Time Holdings is qualified to do business

Mannesmann sales fall 7%

EXTERNAL SALES of the Mannesmann AG world group fell 7 per cent. in the first quarter to DM2.367bn. against DM2.548bn. in the same period last year, and earnings also weakened, the company said today. The company did not give profit figures, but said earnings were under particular pressure in the steel pipe sector due to lower volume deliveries and squeezed margins. Mannesmann net profit for all of 1975 was DM302.2m. down 49.6 per cent. from DM592.2m. in 1975.

Reynolds Metals issue

REYNOLDS METALS Company filed with the Securities and Exchange Commission 2m. common shares for sale through underwriters headed by Dillon, Read and Co., Goldman Sachs and Co. and Reynolds Securities Inc., AP-DJ reports from Washington.

DDG-Hansa dividend cut

By Adrian Dicks

BONN, June 15

DEUTSCHE Dampfschiffahrts-Gesellschaft "Hansa" the Bremen-based shipping line, is reducing its dividend to DM6 per DM50 share from DM7, following a year of continuing stagnation in the world shipping market and what the board describes as the "invasion" of its traditional routes by Soviet vessels. Earnings per share for DDG-Hansa were down from DM49 in 1975 to DM17 last year, the report states in its annual report. During 1977, the combination of an unchanged situation in the charter market, surplus tonnage in many sectors, and continuing cost increases is likely to lead to a further decline in profitability. The report makes clear that DDG-Hansa has suffered from

BANK OF ENGLAND QUARTERLY

Eurocurrency trade expands

BY MARY CAMPBELL

IN THE first indication so far from official statistics of trends in the Eurocurrency market, the Bank of England Quarterly Bulletin shows that the Eurocurrency business of banks in the U.K. continued to grow very fast in the first quarter of this year. Growth was at the same rate as in the fourth quarter of last year. Although the actual increase in foreign currency deposits with London banks was only 84m. in the first quarter, compared with \$14.1bn. in the last quarter of 1976, after taking account of seasonal factors, the Bank reckons that the underlying rate of growth was about 88.8bn. in each of the two quarters. The rate of expansion of the Eurocurrency business of London banks was less than half this figure in the three earlier quarters of last year. The London market accounts for 40-50 per cent. of the Eurocurrency market as a whole and trends in London can therefore be seen as indicative of trends generally. The detailed maturities analysis which the Bank publishes of the maturities of banks' lending and borrowing shows that there was a further big increase in the extent to which banks in London were using very short-term money to finance longer term lending (see table). The main factor behind this continuing trend—which is in some quarters regarded as destabilising since it means that banks would be less well equipped to face a run on deposits—is thought to be largely due to the further decline in Eurodollar interest rates. This would tend to cause depositors to hold back from longer maturities in the hope that they would get better rates later. The absolute figures for borrowing and lending for each maturity band suggest that London banks continued to receive more in repayments of long term Eurocurrency loans than they provided in new long term loans. The value of outstanding loans not due to be repaid for at least three years was by February lower than it had been in August last year, though not by much—\$27.9bn. down from \$28.2bn. However, loans due to be repaid between one and three years hence rose from \$16.0bn. to \$19.3bn. between August and February.

The latest data on the direction from which London banks took their deposits and extended loans (see table) shows that there was very little change in the first quarter of this year. Perhaps most significant is the fact that banks in Japan have continued to cut back their borrowing from the London market. Japan's net borrowing from London banks less deposits with them had fallen very sharply in the last quarter of last year from a net \$13.5bn. to a net \$12.8bn. In the first quarter of this year, however, the figure fell by only a further \$300m. to \$12.5bn. Among individual heavy borrowers not specified individually in the table, neither Brazil nor Mexico increased their borrowing from the London market during the first quarter.

Table with columns: Net deposits -/net borrowing, OR AREA, 1976, 1977. Rows include United States, Canada, European Economic Community, etc.

Table with columns: Maturity structure of non-sterling business of banks in Britain, Net deposits -/net lending, 1976, 1977. Rows include Less than 8 days, 8 days to less than 3 months, etc.

AMERICAN NEWS

Kaiser Aluminum price move

BY JOHN WYLES

AN ANNOUNCEMENT by Kaiser Aluminum and Chemical Corporation that prices of its products are to rise by an average of 4 per cent. is expected to herald a fresh round of price increases by major U.S. manufacturers of aluminum products. Kaiser's latest price rise brings the total increase in the cost of its products so far this year to 10 per cent. It raised the cost of a primary aluminum ingot from 48 to 51 cents a pound in March, and from July 1 the price will be 53 cents a pound. The aluminum industry con-

cluded a new pay deal with the United Steel Workers of America less than a month ago, which the union estimated would add 30 per cent. to labour costs over the next three years. Kaiser cited the pay deal as one of the reasons for its price rise, adding also that it was suffering the impact of "higher costs for energy and raw materials." The political sensitivity of aluminum pricing is highlighted by Kaiser's disclosure of talks with the Council on Wage and Price Stability, the Government body which monitors prices. The meetings, one last week and one on Monday, were both attended

NYSE competition

BY OUR OWN CORRESPONDENT NEW YORK, June 5.

A NEW era of competition between New York Stock Exchange specialists looks likely to start on Monday following an application by the exchange's largest firm of specialists, Spear Leeds and Kellogg, for permission to compete in stocks traded by a small and little-known company, Blair Williams. Although a spokesman for the exchange dismissed it as a "coincidence," the Spear Leeds move follows quickly on the heels of an attempt by 19 of the exchange's leading brokerage and investment houses to head off a Securities and Exchange Commission proposal to develop trading off the floor of the New York exchange. The SEC proposal is a response to widespread criticism, particularly from within Congress, of the alleged lack of competition on the New York Exchange for the last ten years. Individual groups of stocks have been traded by single firms of specialists. Although no official explanation was available to-day, it appears that Blair Williams has a picked out Blair Williams for result of special circumstances competition because of the latter's mix of 19 stocks which will be watched much more closely.

Weekly Net Asset Value on June 13th 1977. Tokyo Pacific Holdings N.V. U.S. \$ 40.59. Tokyo Pacific Holdings (Seaboard) N.V. U.S. \$ 29.59. Listed on the Amsterdam Stock Exchange.

VONTBEL EUROBOND INDICES table with columns: PRICE INDEX, DM Bonds, HFL Bonds & Notes, U.S. \$ Cert. Bonds, AVERAGE YIELD, DM Bonds, HFL Bonds & Notes, U.S. \$ Cert. Bonds.

CHILEAN GOVERNMENT 8% STERLING LOAN OF 1922. MORGAN GRENFELL & CO. LIMITED hereby give notice that a Drawing of Bonds of the above Loan took place on 2nd June 1977...

Canadian \$20,000,000 9 1/2 per cent. Guaranteed Notes due 1982. RANK OVERSEAS HOLDINGS LIMITED. Unconditionally and irrevocably guaranteed as to payment of principal and interest by THE RANK ORGANISATION LIMITED. N. M. Rothschild & Sons Limited. A. E. Ames & Co. Limited, Banco Commerciale Italiana, Banque de Paris et des Pays-Bas, Deutsche Bank Aktiengesellschaft, Dominion Securities Limited, Union Bank of Switzerland (Securities) Limited, Wood Gundy Limited.

The Kingdom of Sweden. U.S. \$100,000,000 7 1/2% Notes 1982. U.S. \$100,000,000 8 1/4% Bonds 1987. Credit Suisse White Weld Limited. Skandinaviska Enskilda Banken, PKbanken, Svenska Handelsbanken, Deutsche Bank Aktiengesellschaft, Dresdner Bank Aktiengesellschaft, Kredietbank S.A. Luxembourg, S. G. Warburg & Co. Ltd.

Handwritten signature or mark at the bottom of the advertisement.

INTERNATIONAL FINANCIAL AND COMPANY NEWS

SOUTH AFRICAN COMPANIES

Offer to buy Messina banking stake

BY RICHARD ROLF

MESSINA, WHICH sold its TV interests in January to Federal Volksbelegungs, the industrial holdings arm of the Sanlam insurance group, has followed the deal up with a further offer to buy Messina's 42 per cent stake. With the pre-suspension price at 45r, Messina's 2.4m. shares were then valued at more than R1.1m., but profits at Concorde, which is mainly involved in leasing business, have held up fairly well, showing R0.35m. for the half year to end-December, and the eventual take-out price could be well above that on suspension.

JOHANNESBURG, June 15.

Malcom-Bakke whose main divisions are involved in plastics and packaging, motor distribution and farm machinery distribution. Turnover was R82m. for the year to March 31, and pre-tax income rose from R5.2m. to R5.5m. Net earnings were up from 28 cents to 30 cents and the dividend has been raised 1 cent to 11 cents. At 95 cents, this put the shares, which are widely held, on a yield of 11.8 per cent. Profits slipped in the key farm machinery division, which includes the Scania heavy trucks franchise, from R1.4m. to R1.2m., but this was not surprising after the recent poor figures from Massey-Ferguson which testified to the existing depression having spread even to the normally prosperous farming community. But the motor side improved slightly on last year and most of the running was made by the plastics and financial services divisions. Net asset value rose from 140 cents to 159 cents, putting the shares on a discount of 44 per cent.

Europeans buying into Toyota

TOKYO, June 15.

TOYOTA MOTOR COMPANY is expanding overseas ownership of its shares while raising some of its new funds, brokerage house sources said. Toyota announced earlier this month that it will issue publicly 37.5m. new shares at the current market price of ¥390 per share. Sources said that the underwriters for the issue, Nomura Securities and Nikko Securities Company, have negotiated the purchase of about 7m. of those shares by European institutional investors. Foreign ownership as of December 1976 accounted for only 0.9 per cent of total shares outstanding. Brokerage house sources said the auto maker is trying to diversify its stock ownership to enable it to tap diverse capital markets in the future as more investment becomes necessary in various local markets for production and other facilities. Toyota to the past has been reluctant to expand its foreign ownership, the sources said. AP-D.

DUTCH PROPERTY ABROAD

At least Fls.3bn. committed

BY MICHAEL VAN OS

AMSTERDAM, June 15.

DUTCH PROJECT development companies and institutional investors have at least Fls.3bn. worth of property abroad in preparation, under construction or in operation at present, says an authoritative property magazine published here.

The magazine, Vastgoedmarkt (VGM), which adds that the investment figure excludes investments by private individuals, across the borders has seen an acceleration in the last few years, while the figure amounts to destined for long-term investment while the rest will be sold to private and other investors.

VGM notes that the amount is about double the sum which had been invested in Holland in the early 1960s by British property companies (about Fls.1.5bn.), of which about Fls.1.1bn. has returned to Dutch ownership. The figures exclude the real estate portfolio of DeltaLloyd, Commercial Union's Dutch insurance subsidiary.

The magazine says that the development of Dutch activities abroad has seen an acceleration in the last few years, while the figure amounts to destined for long-term investment while the rest will be sold to private and other investors.

It is estimated by the report that the Dutch property industry has invested about Fls.1bn. in Belgium, so that, in terms of capital invested, Holland is in second place in the Belgian market after Britain. Property is being developed, in construction or already delivered to the same total in France, while the figure amounts to destined for long-term investment while the rest will be sold to private and other investors.

Germany is concerned. The fourth main investment area is North America, particularly the U.S., where real estate interests can be valued at about Fls.1bn., the report says. VGM comments that internationally, Holland is currently among the most active real estate developing countries in the world. A major difference with the policy of the British companies in the 1960's was that the financing side had been better assured, while there is on the Dutch side also more interest in long-term activity in the foreign markets.

Algots bankruptcy proceedings

BY WILLIAM DUFFORCE

STOCKHOLM, June 15.

ALGOTS, the Swedish clothing manufacturer, started bankruptcy proceedings yesterday after Mr. Nils Aalings, the Minister of Industry, which holds heavy stocks of unsold finished goods and had to stop payments last week. This is the first bankruptcy of a company quoted on the Stockholm Stock Exchange since the 1932 crash of "match king" Ivar Kreuger.

The concern's two Swedish companies, Algots Johansson AB and Algots Nord, have declared bankruptcies. The Finnish subsidiary, Mr. Per-Yvan Lundberg, director of the Gothenburg company, has been appointed administrator. Mr. Aalings said yesterday that

Sweden's "company doctor", Professor Ulf af Troile, would be employed as consultant in re-organising the clothing concern, which holds heavy stocks of unsold finished goods and had to stop payments last week. This is the first bankruptcy of a company quoted on the Stockholm Stock Exchange since the 1932 crash of "match king" Ivar Kreuger.

Poor year, reports Kemira

By Lance Keyworth

HELSINKI, July 15.

KEMIRA OY, the State-owned chemical industrial company, had an unsatisfactory year in fiscal 1976. For the first time in its history, no dividend was distributed and the loss recorded was Fmk.5.5m. over 21m. at the December, 1976 exchange rate). This was after depreciations which were limited to half the legally permissible sum. In spite of the high general inflationary rate, even turnover decreased by 12.7 per cent to Fmk.1.35bn.

In their joint introductory statement to the annual report, the executive chairman and the managing director note: "Taking into account the rise in the level of costs and the fall in the value of money, the result is still poorer than the figures indicate. The biggest single reason for the poor result was the almost 17 per cent fall in the sales of fertilisers." Prices rose sharply as the Government stopped paying subsidies and then imposed a tax on fertilisers to discourage agricultural overproduction. Production of concentrated compound fertilisers decreased by 28.2 per cent to 753,408 tonnes. The Vuorikemira division of the company was the only one that did well, and that was because the international market for titanium dioxide improved in 1976. The division's invoicing totalled Fmk.211m., of which 85 per cent, was for exports. The Sateri division, man-made fibres, was one of the worst hit by the depression and worked at only 50-80 per cent of capacity. The pantyhose factory in Tornio, North Finland, which had been running at a loss for some time, was gradually run down and finally closed to May, 1977.

FRENCH COMPANIES

Rhône-Poulenc active abroad

PARIS, June 15.

RHÔNE-POULENC group activity so far this year has been steady at around the level of the last months of 1976, the company said in its annual report.

Business outside France has been more satisfactory than the domestic market which is still affected by French price controls.

The company said it hopes to be able to sell goods in France this year at the price level of the international market and this, combined with cost cutting, should allow it to return to normal levels of profitability.

The group reported a consolidated net loss of Frs.364m. in 1976 after a loss of Frs.941m. in 1975.

La Redoute upturn CONSOLIDATED NET earnings of La Redoute à Roissy, major mail-order concern, for the 1976-1977 fiscal year ended last February increased 9.4 per cent to Frs.432m. from Frs.397.7m. in 1975-76. Consolidated sales

rose 16.2 per cent to Frs.2.94bn., reports AP-DJ. The company expects this year's consolidated earnings to increase by between 10-15 per cent.

As previously reported, La Redoute will pay a net dividend of Frs.18 for 1976-77, up from Frs.15 a year earlier.

La Redoute said it hopes most sectors will earn higher profits this year, but the results of subsidiary Carbonisation Entreprises at Ceramique might be below last year. Lafarge said it plans to spend over Frs.4bn. on investments

between 1977 and 1981, 45 per cent of it in France. Spending on new industrial programmes this year will be below last year's Frs.367m.

Group cement deliveries this year in the U.S., Gabon, Brazil, Antilles and Canada are expected to be up on last year, but deliveries in France, Morocco and Senegal should be stationary.

The one rigging shares were last traded in Singapore at 62 Singapore cents per share. Total share capital of Faber Merlin (Malaysia) is 65.5m. shares.

Sentosa buys Faber shares

SENTOSA PLYWOOD BHD said it agreed with Faber Merlin (Malaysia) to acquire for cash 8.55m. shares of Faber Merlin (Malaysia) BHD at one ringgit per share. Sentosa said it made a 10 per cent down payment and the balance would be paid within three months from the date of agreement, Reuter reports from Kuala Lumpur.

Faber Merlin (Malaysia) has been suspended on the Kuala Lumpur stock exchange since February last year and on the Singapore stock exchange since June last year.

The one rigging shares were last traded in Singapore at 62 Singapore cents per share. Total share capital of Faber Merlin (Malaysia) is 65.5m. shares.

SELECTED EURODOLLAR BOND PRICES MID-DAY INDICATIONS

Table with columns for bond types (STRAIGHTS, CONVERTIBLES), currencies (USD, GBP, etc.), and prices. Includes entries for Alcoa, American Express, and various government bonds.

Optimism at Lafarge

LAFARGE S.A. said it expects all group sectors to be profitable in 1977, but did not make an overall forecast, reports Reuter.

Last year the group made a net attributable consolidated profit of Frs.184.1m. (Frs.130.5m.) on a net turnover of Frs.6,011m. (Frs.5,348m.).

UCB forecast

OVERALL 1977 results for the UCB group will be similar to those of 1976, although films and pharmaceutical products are showing some improvement, according to Mr. Paul Foriers, the chairman, Reuters reports from Brussels.

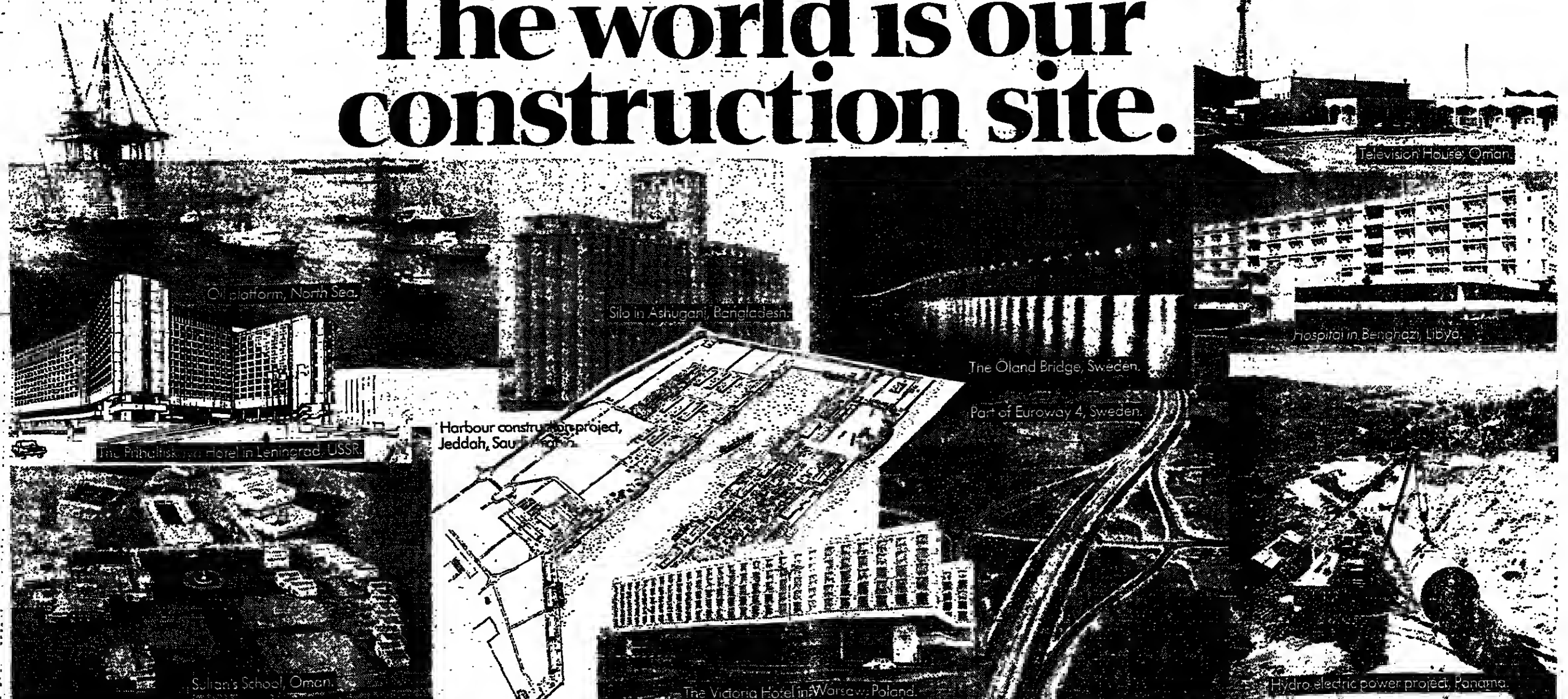
Mr. Foriers told the annual meeting that the company's performance in April was unsatisfactory after good results in March. The meeting approved the proposed 1976 net dividend of Frs.140 a share, against the previous Frs.125, on group net profits of Frs.1,624m. (net loss Frs.270m.) and turnover of Frs.16,899m. (Frs.15,311m.).

Alliance profits rise

By L. Daniel TEL AVIV, June 15. ALLIANCE, THE Israeli tyre producer and exporter, has reported a 58 per cent increase in net profit for the first three months of 1977, to just under \$600,000 sterling.

Sales increased at a similar rate, compared with the first quarter of last year, to \$118m. Financing expenses rose by 40 per cent during the period under review to \$450,000.

The world is our construction site.



We are Europe's largest construction company with rapidly increasing worldwide engagements. Internationally we work mainly with technically advanced constructions, although we undertake all kinds of projects. Design/construct and turnkey contracts have become something of a speciality for us. Technical know-how of high standards is one reason for our success. A good and sound economy, which guarantees the fulfilment of all our engagements, is another. This is our consolidated balance sheet, December 31, 1976 - in millions of Swedish Kronor (1,000 Swedish Kronor = approximately £133 in June 1977).

Assets table: Current assets: Cash in hand and bank balance 960, Receivables 1,841, Properties classed as current assets 1,639, Total 4,440. Fixed assets: Other receivables 359, Shares and participation certificates 199, Machinery and equipment 270, Properties classed as fixed assets 187, Total 1,015.

Liabilities and Equity Capital table: Current liabilities 1,374, Uncompleted contracts 5,776, Expenditures from commencement of contracts -4,904, Long-term liabilities 1,978, Special appropriations 923, Share capital + reserves 226, Net profit for the year 82, Total 5,455.

SKANSKA CEMENTITRIERET S-18225 Danderyd/Stockholm, Sweden Telephone +46-8-7538000

How would you like to be remembered?

If you are a warm-hearted practical person, then think how you can continue to be remembered for putting those very qualities into action.

A legacy to Help the Aged achieves something remarkable, for the people who are in most need—the increasing number of lonely old folk who suffer from the tragic sorrow of loneliness, hunger and feeling forgotten.

Your gift goes on working steadily, to provide such long-lasting benefits as friendly Day Centres for the lonely, transport for the house-bound, Day Hospital Treatment Centres, shelter, feeding and medical schemes for overseas victims of hunger and disaster.

A legacy to this work has special value, for it means that as one problem is solved your gift can be used where the need is greatest, rather than being tied to a need already met.

Gifts to charity up to £100,000 are now free of tax, whether donated during your lifetime or by legacy.

Consider too how a covenant now would mean that the appropriate tax can be reclaimed and used for a purpose of your choosing.

Helpful booklets on wills and the saving which can be made on "Gift Tax", together with the annual report will gladly be sent on request, to you or your legal or financial advisers. (A simple form of codicil to add to a will is also available). Please write to: Hon. Treasurer, the Rt. Hon. Lord Maybray-King, Help the Aged, Room FT11, 32 Dover Street, London, W1A 2AP.

* £150 perpetuates the name of someone dear to you on the Dedication Plaque of a Day Centre.

BUSINESS AND INVESTMENT OPPORTUNITIES

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

Finance for Growing Companies

If you are a shareholder in an established and growing company and you, or your company, require between £50,000 and £1,000,000 for any purpose, ring David Wills, Charterhouse Development.

Investing in medium size companies as minority shareholders has been our exclusive business for over forty years. We are prepared to consider new investments in both quoted and unquoted companies currently making over £50,000 per annum pre tax profits.

CHARTERHOUSE
Charterhouse Development, 1 Paternoster Row, St Pauls, London EC4M 7DH. Telephone 01-248 3999.

MULTI NATIONAL ENERGY CORPORATION

With appraised assets in excess of 250 million dollars for sale on cash/earn-out basis. Interested parties must be able to demonstrate financial resources, ability to provide turn-around management and expertise in energy related matters. Write: Box No. F542, Financial Times, 10, Cannon Street, EC4P 4BY.

FOR £7,500 YOU CAN INVEST IN A RAPID-PROFIT INDUSTRY

The drain and pipe clearing market is worth over £10m. a year. POWER ROD seeks individuals or companies to buy franchises in many important areas of the U.K. All you need is drive, ambition, business sense — and £7,500. We supply technical training, marketing instructions, promotional support and business leads. We take away the risks, yet still provide a pro rata refund clause in your contract. Contact: Ross C. Yeo, Franchising Director, Power Rod Limited, Lidgra House, 250 Kingsbury Road, London, NW9. Phone 01-224 9011.

VENEZUELAN METALS BUSINESS FOR SALE

Manufacturing Plant in Metal Fabricating now operating with about 150 people serving fast-growing Venezuelan market. Foundry and working equipment located on about 5 acres with 61,000 square feet of office and plant space one hour from Caracas. Excellent opportunity for company to enter Venezuela quickly by buying 100% of going business from U.S. subsidiary at price in low seven figures. Reply on letterhead. Write Box F543, Financial Times, 10, Cannon Street, EC4P 4BY.

EXPORT COMPANY WANTED AND/OR PRODUCTS WANTED FOR EXPORT

Do you want to sell your Export Company and/or do you have a product you wish to export? Due to our established market in the Middle East, Persian Gulf, Africa, India and Pakistan we are interested in purchasing export companies and/or we can introduce your product to our clients and make payments to you in London. Interested Exporters and/or Manufacturers contact: P. N. DAVISON (EXPORT/IMPORT) LTD., Walden House, 10, Cannon Street, London W1 2EP. Tel: 241117. Tel: 01-248 2091

WE ARE LOOKING TO START A NEW SHIPPING COMPANY IN THE GULF AREA

Any shipping company interested in co-operation please write to: Post Box No. 4906, Dubai, U.A.E.

WEST COUNTRY DEPOT

Ideal for Haulier, Metal Stockist, Etc. Due to rationalisation National Group has for disposal: TWO ACRE Freehold Site Modern offices, accommodation & Warehousing, Plant and equipment. Able local work force. Write Box G.156, Financial Times, 10, Cannon Street, EC4P 4BY.

COMPANY with Banking Licence

REQUIRED BY CLIENTS WITH SUBSTANTIAL CAPITAL RESOURCES IMMEDIATELY AVAILABLE. Reply to: Paul O. Cass & Co., 141 High Street, Barkingide Essex IG6 2AW

TAX LOSS COMPANIES REQUIRED

BOTH REALISED AND POTENTIAL. All answers in the strictest confidence. Write Box G.157, Financial Times, 10, Cannon Street, EC4P 4BY.

PRESTIGE CARS WANTED

ROMANS LTD. ROLLS-ROYCE & DAIMLER urgently require delivery on low mileage Rolls-Royce Silver Shadow Mark 2 or 1, also low mileage Daimler Sovereign. Buyer will call, cash or banker's draft available. For a firm price please contact SIMON FENNEL AT BROOKWOOD (04827) 4567 till 9 p.m. or BORDON (04293) 3565 evenings and week-ends.

ENTREPRENEURIAL CHARTERED ACCOUNTANT

with successful track record in two totally diverse industries seeks further challenge. Full time or part time. Write Box G.161, Financial Times, 10, Cannon Street, EC4P 4BY.

LIMITED COMPANIES FORMED BY EXPERTS

FOR £78 READY MADE £23 COMPANY SEARCHES EXPRESS CO. REGISTRATION LTD. 30, City Road, E.C.1. 01-628 5434/5/726 9926

BUILDING & CONSTRUCTION U.K. - Middle East - Africa

We have unique products urgently required by the industry. We would like to meet an entrepreneur who has the right contacts in the right places. Earnings potential at least £50,000 per annum. Write Box G.136, Financial Times, 10, Cannon Street, EC4P 4BY.

AN OLD CONCEPT TAKEN TO NEW HEIGHTS

Save 30% space and admin. overheads, save all office machine rentals plus all operator salaries, and office management duties.

OPENING THIS WEEK OFF

BOND STREET, MAYFAIR

High quality inexpensive desk space from 30 sq. ft. (min.) to 1500 sq. ft. (max.), fully equipped and manned by high calibre staff from 0800-2200 hours. In-house: the most sophisticated office machinery and paperwork services in the world:

Colour, high speed, and poster sized photocopying, "LinkJet" and other IBM/XEROX word-processing, Design, Typography, Illustration, Calligraphy, Type-setting, Plates, Photoprints, Offset-Litho, Collating, Stapling, Folding, Spiral binding, Direct Mail, Copy typing and telex (on order). (Off the premises: Die stamping, thermography, hot foil and screen printing.

All Work done TO YOUR DEADLINE and with special security if registered-low pricing, all on the "Peter Jones" basis made possible by speed, high volume, and high investment.

To view please phone Edward Kalafayan on 01-362 4754 (am) or later 01-734 4115

LEASING Don't use capital - it's too valuable.

LEASE YOUR PLANT AND MACHINERY

We are interested in all leasing propositions ranging from £5,000 to £100,000

SANDHILL (BULLION) LTD.

Leasing Department, Sandhill House, Temple Place, Leeds LS2 7NX. Telephone: 0532 40371/2/3 Ext. 10 Telex: 557853 Sandz. G.

REQUIRED BY PRINCIPALS

FINANCE COMPANIES

Involved in Hire Purchase, Credit Sale, Leasing, Block discounting and other forms of credit finance.

Net-assets up to £1.5 million.

Full details in confidence to:-

ANGLO MANX BANK LIMITED

5 ATHOL STREET, DOUGLAS, ISLE OF MAN

FOR SALE

IMPORTANT ITALIAN FACTORY PRODUCING WOODWIND AND BRASS

MUSICAL INSTRUMENTS

operating all over the world mainly in Europe, Far East and Middle East. Well-known in the market for many years. Very good income good prospects for the future.

CONSULTANTS FOR CANADIAN INVESTMENTS LTD. P.O. Box 478, 6901 Lugano-Switzerland - Tel: 91/29255 (Any anonymous information request will be rejected.)

Essential oils/food additives.

We are a chemical company interested in expansion and would welcome an opportunity to discuss a merger, or acquisition if preferred, with a suitable company in either of the two fields of essential oils or food additives. Our company is a family business, well staffed, and attaching great importance to human relations inside and outside the Company. If you are interested please contact our Managing Director, Box G.152, Financial Times, 10, Cannon Street, EC4P 4BY.

IF YOU DON'T HAVE AN OFFICE IN SAUDI ARABIA PERHAPS YOU CAN USE OURS:

★ To obtain construction contracts.
★ To display and offer your products.
For further information please contact: MESHAEL EST P.O. Box 4657 Riyadh - Saudi Arabia Phone 26334-32321 Please forward resume, identity and brochure etc. for quick response.

YOUR OWN RESEARCHERS AT COMPANIES HOUSE

Our experienced staff can give you speedy access to a 24-hour service. It does a week to the particular of all Companies registered at a low cost. For further details write or phone to: COMPANY INFORMATION AGENCY, 2, RYEFIELD AVENUE, HILLINGDON, MIDDLESEX, U10 9BT. Telephone: -Underage 55222

URGENT-SOLE DISTRIBUTOR REQUIRED

We are a well known company in our field and urgently require a UK Sole Distributor for our nationally advertised and established range of household insecticides and proprietary. Whilst we are seeking a suitable long-term agreement, particular attention will be given to interested parties offering the facility of quick representation. Please reply in confidence to Box G.158, Financial Times, 10, Cannon Street, EC4P 4BY.

LADY

very well-known family, attractive, intelligent, 3 languages, world considerable similar ability with good contacts. Serious replies giving full details in confidence. Write Box G.104, Financial Times, 10, Cannon Street, EC4P 4BY. N.B. DUE TO A MAILING ERROR WOULD ANYONE WHO HAS PREVIOUSLY REPLIED TO THIS ADVERTISEMENT, PLEASE DO SO AGAIN.

ISLE OF MAN OFFSHORE TAX SAFEGUARD

Great the company in a low tax area. We specialise in the formation of companies including nominees appointments, company secretaries, company directors, company lawyers and general consultancy including commercial loan placements. Full details in confidence to: J. C. Brown, A.J.B. Brown, 10, Cannon Street, EC4P 4BY, or telephone: Huddersfield 68190 any evening after 8 p.m.

OWNER

of London specialist manufacturer has achieved maximum turnover. Now seeks further challenge by joining quality company, wishing growth home/export. Age 40. Write Box G.162, Financial Times, 10, Cannon Street, EC4P 4BY.

STAR COLLECTORS ITEMS

The late Lord Nuffield's copper plated Morris & Drop Head Coupe, Registration June 1938. In exceptional condition. And 1940 Daimler Daimler, registration 1 RPE. FOR SALE BY MEACHAM LEIGHS, ENGLAND BY BRITISH CAR AUCTIONS on 21st June 1977.

Overnight Delivery to all major U.S. and European cities; South America and Asia - Second morning

★ New services: Overnight to and from ACCRA & LAGOS

In virtually any city in the world. We give DOOR-TO-DOOR, single-responsibility courier service overseas to or from any point in the U.K. We call you to confirm each delivery when it is completed. If it is important enough to think of a courier service, it is important enough to be sure. WORLD COURIER has more experience in more cities world-wide. Write more information or better yet call us for pick-up on 01-629 4628 01-629 0965

WORLD COURIER Name _____ Address _____ 28 South Molton Street, London W.1. 01-629 4628 Telex 888841

JOINT VENTURE - BUSINESS COOPERATION

Norwegian trading company owned by a Norwegian Shipping Group invites international companies or groups who are interested in establishing or engaging in joint ventures in Norway.

The Norwegian group offers the facilities of a well established organisation in Norway with brand new offices located close to rail and airport just outside Oslo.

The Norwegian group may also consider to rent you up to 1,200 sq. metres office space for any period you wish.

For further information please write to: Business-Norway-World Wide Box G151, Financial Times, 10, Cannon Street, EC4P 4BY.

Have you a Commercial or Industrial Property Problem

in the South West of England? Do you need new premises? Are some or all of your existing land and buildings surplus to requirements? Don't just sell them off - maximise their value.

We are specialist consultants in DEVELOPMENT, RE-DEVELOPMENT or RE-FURNISHING for commercial and industrial clients. We are not Estate Agents. We offer our service either on a basis of consultancy or profit participation or both - our service can be tailored to your individual requirements. Contact Barry Redfern quoting Reference FT.1

Baroph Associates Housing, Commercial & Industrial Fabrication Consultants, 6 Bath Street, Bath, BA1 1SA Tel: 60342. 24 hr. Answering Service Bath 5762.

COMPANIES WANTED COMPUTER BUREAU

U.K. Company wishes to purchase a controlling interest in a computer bureau (annual turnover up to £2m). Please send brief details to: Box G153, Financial Times, 10 Cannon Street, EC4P 4BY

WANTED ENGINEERING/PRODUCTION COMPANY

Small private group based in West Midlands with Continental Subsidiaries is looking for an Engineering or technical Services Company whose products/services are allied to mining, extractive industries, bulk handling or allied fields. A straight purchase or agreed merger would enable us to inject two existing product lines and sales expertise. Existing management would be expected to continue running the Company under our broad group umbrella. Reply to: Box G.154, Financial Times, 10, Cannon Street, EC4P 4BY.

WANTED Structural Engineering & Steel Fabrication Company

Investor experienced and engaged in the industry, seeking small company or controlling interest where principal is planning retirement or similar. Preferable location South East, other areas considered. Principals only, please forward full financial and workshop details. Full confidence is assured and required. Write Box G.155, Financial Times, 10, Cannon Street, EC4P 4BY.

Personal and Company Pensions

As independent specialists in financial management we can help you make an informed decision. Contact G.L. Taylor B.Com. ACA or B.M.D. Durkie ACII, A.Arb. Taylor Crispin & Co Ltd. 22 Manchester Sq. London W1 Tel: 01-486 7977/487 4975

GENEVA

Full Service is our Business ● Law and Taxation. ● Mailbox, telephone and telex services. ● Translation and secretarial services. ● Formation, domiciliation, and administration of Swiss and foreign companies. Full confidence and discretion. Service. 3, rue Pierre-Fatle, 1201 Geneva Tel: 34 95 40 Telex: 2354

CONTRACT DRYING CAPACITY WANTED

We would be interested to talk to companies who have capacity for drying lightweight powders, flash, indirect rotary, fluidised bed, with cyclones and filter system would be suitable. Write Box G.134, - Financial Times, 10, Cannon Street, EC4P 4BY.

ENTREPRENEUR

frustrated through lack of capital, seeks others with limited funds and fair to form a company to make the Country Club, property, etc. Write Box G.166, Financial Times, 10, Cannon Street, EC4P 4BY.

"MILKMAID"

Exclusive sales rights available for novel promotional idea. Jug that is easy to pour, even for children. Contains 1 pint milk bottle, pours from base. Injection tooling available for 25,000 units per week. CES INVESTMENTS BRIDGE STREET BIRKENHEAD. Telex 62734

CASH FLOW PROBLEMS

RELEASE YOUR OWN CASH BY DISCOUNTING YOUR INVOICES 95% paid by return on approved accounts Phone Bolton (0204) 693321 Telex 63415 MRS. BENNETT Silverburn Finance (U.K.) Ltd.

MILLIONAIRE

WILL BACK BRIGHT YOUNG MEN WHO WISH TO START THEIR OWN BUSINESS. Write Box G.146, Financial Times, 10, Cannon Street, EC4P 4BY.

APOLLO

Edited by Denis Sutton

The world's leading magazine of Arts and Antiques

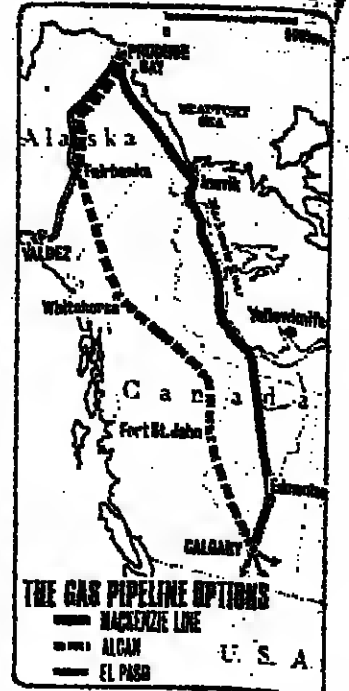
Published Monthly price £1.50 Annual Subscription £18.00 (Abroad) Overseas Subscription £20.00. USA & Canada Air Assisted £48 Apollo Magazine, Brickley House, 10, Cannon Street, London, EC4P 4BY. Tel: 01-248 8000

U.K. ECONOMIC INDICATORS

	1977			1976		
	May	Apr.	Mar.	May	Apr.	Mar.
General	134.7p	132.2p	133.6	127.8	128.1	128.1
Unfilled vacancies ('000s)	155.6p	155.6p	144.2	124.4	113.7	113.7
Currency reserves ('000s)	9.9	10.13	9.52	5.42	4.28	4.28
Basic materials (1970=100)	348.1p	348.1p	347.4	292.0	286.3	286.3
Bank advances (£bn.)	14,879	15,915	15,907	14,309	14,196	14,196
Manfr. products (1970=100)	259.6p	255.1p	250.8	214.8	211.5	211.5
Terms of trade (1970=100)	Apr. 78.7p	Mar. 80.4p	Apr. 81.3	Mar. 81.3	Mar. 81.3	Mar. 81.3
Retail prices (1975=100)	150.2	178.3	174.1	153.5	156.6	156.6
Wage rates (July, 1972=100)	224.5	223.8	223.5	208.3	208.7	208.7
HP Debt. (£m.)	2,782	2,737	2,691	2,320	2,287	2,287
Industrial output (1970=100)	Mar. 104.3	Feb. 104.0	Jan. 104.3	Mar. 102.9	Feb. 102.6	Jan. 102.6
Retail sales value (1971=100)	215.8p	213.1	217.5	186.3	189.8	189.8
Trade and Industry Steel weekly average ('000 tonnes)*	389.2	380.4	410.9	468.6	444.3	444.3
Imports (fob) (£bn.)	2,746	2,720	2,722	2,237	2,030	2,030
Exports (fob) (£bn.)	2,827	2,489	2,505	1,822	1,847	1,847
Visible trade balance (£bn.)	-0.109	-0.232	-0.263	-0.383	-0.183	-0.183
Cars ('000s)†	126	93	106	111	115	115
Commercial vehicles ('000s)†	31.0	34.9	34.4	30.4	28.7	28.7
Bricks (millions)*	490p	490	423	467	456	456
Concrete weekly average ('000 tonnes)	286	301	268	303	282	282
Furniture (1970=100)††	135p	158	157	151	151	151
Houses completed ('000s)†	Mar. 25.0	Feb. 22.1	Mar. 22.5	Mar. 22.4	Mar. 22.4	Mar. 22.4
Man-made fibres (m. kgs.)†	55.5	50.2	51.5	54.1	53.25	53.25
TV sets ('000s)‡	225	205	214	205	184	184
Radio receivers ('000s)‡	267	266	499	248	248	248
Raw cotton, weekly average ('000s, tonnes)§	2.07	2.46	2.3	2.27	2.23	2.23
Petroleum (m. tonnes)¶	7,654p	7,072	7,500	7,979	7,509	7,509
Hosiery (1970=100)¶¶	89p	104p	105	90	97	97
Machos tools (£m.)‡‡	Feb. 31.2p	Jan. 36.9p	Feb. 34.1	Feb. 30.3	Feb. 27.1	Feb. 27.1
Electric cookers ('000s)†††	92.3	87.2	88.6	88.0	88.0	88.0
Washing machines ('000s)†††	102.5	68.6	85.5	96.2	83.1	83.1
Engineering orders on hand (1970=100)††††	92	92	92.5	95	95.5	95.5
Raw wool (m. kilos)‡‡‡	16.2	16.3	16.2	9.6	9.6	9.6
Consumer spending (£bn. 1970 values)	1st qtr. 8,740g	4th qtr. 8,955	3rd qtr. 8,876	2nd qtr. 8,571	1st qtr. 8,513	4th qtr. 8,513
Motor trade turnover (1972=100)	302	302	302	173	166	174
Building and civil engineering (£bn.)	4th qtr. 3,262g	3rd qtr. 3,245	2nd qtr. 3,173	1st qtr. 2,998	4th qtr. 2,902	3rd qtr. 2,902

* Production, † Deliveries, ‡ Net sales, § Consumption, ¶ Seasonally adjusted, †† All manufacturing industries, ††† Excluding car radios, †††† Domestic, U.K. made and imported sets, ††††† Including color and black and white, †††††† Value of output, †††††††† Provisionally seasonally adjusted, ††††††††† First preliminary estimate, †††††††††† Provisional figures, ††††††††††† Deliveries of petroleum products for inland consumption, n.a. Not available, †††††††††††† From Feb. 1977 figures with exclude radiograms.

Indians, Eskimos and a \$12bn. gas pipeline



CANADA must tell President Carter this year whether it will permit the construction of a giant pipeline to carry gas from the Alaskan North Slope across Canadian territory to markets in the U.S. A battle royal has begun between the sponsors of a route along the Mackenzie River, who include Exxon, Gulf, and Shell as partners to Canadian Arctic Gas, the supporters of a more westerly route known as Alcan, who include Alberta Gas Trunk Line; and a motley group of those who oppose both lines, either because, like the Alaskan Government, they prefer the El Paso proposal for piping gas across Alaska and then moving it south by sea, or because they object to the environmental risks of any pipeline to the north.

First blood went to the opponents of Arctic Gas when, last month, an enquiry conducted by Mr. Justice Thomas Berger, recommended that, in the interests of preserving the balance of nature, no pipeline

should ever be built from the North Slope to the Mackenzie Delta. That would mean that Alaskan gas would have to follow the Alcan or El Paso routes. Moreover, the Berger Commission recommended that no pipeline should be built along the Mackenzie Valley for ten years, until the social and ecological implications had been sorted out.

If Berger is accepted, then Canadian gas found in the Mackenzie Delta will have to stay there for at least ten years, or be moved by a spur line to the Alcan route. But the battle is not yet over: in July the Canadian Government expects a report from the National Energy Board, which is to look at the proposals in the overall national interest—not merely from the point of view of the North.

Even in the North, opinions are by no means agreed, as our Montreal Correspondent reports from a visit to the Mackenzie Delta.

BY ROBERT GIBBENS

FLYING BY DC-3 at about 5,000 feet over the 850 miles from Yellowknife to Great Slave Lake via the Mackenzie Delta provides a new perspective on the debate over the Berger Commission Report.

The flight takes a good five hours. But in clear weather, the amateur can make some assessment of the effects of a Mackenzie Valley pipeline through the huge expanse of the Mackenzie District. Between Yellowknife, administrative centre for the whole Northwest Territories, and Inuvik on the Delta, there are only six or seven communities numbering only a few hundred people each.

The pipeline from the air would look something like a road running through the Valley. From the ground it would be largely invisible. Pumping stations could be kept well away from the communities.

Canadian Government experts in Yellowknife say it can be built with minimum damage to the environment, and social impact can be minimised if the construction base camps are controlled carefully and southern workers kept strictly away from Indian communities.

The job can be done, with care and meticulous preparation, and if the crash programmes used on the Alyeska oil route in Alaska are avoided. There is still time to bring the oilfield peoples into the construction programme if they wish. About 2½ years from the decision to go ahead is required before construction can start.

The cost advantage probably still rests with the Canadian Gas Arctic project, with a coastal connection from Prudhoe Bay to the Mackenzie Delta—though the total cost has now gone above \$12bn., according to new estimates filed with the National Energy Board in Ottawa.

Canadian gas from the Delta would be piggybacked on the American gas moving south. However, the Alcan route to bring American gas south is strongly favoured by some experts in the Delta itself, with a spur to be built later from the Southern Yukon up to the Delta to bring south the Canadian gas bore. Arctic Gas reckons this would cost the Canadian gas consumer several hundred million dollars a year in extra transmission costs. There are fewer social-impact prob-

lems with this route, as Mr. Justice Thomas Berger pointed out in his report on the Mackenzie Valley line. However, the national interest in terms of the future reserves, and cost of the gas to the north, plus international politics still make the Mackenzie system a strong contender. Planning is much further ahead than for Alcan.

The Mackenzie district covers only a small part of the 13m. square-mile Northwest Territories, running up almost to the Pole and east to Baffin Island. The NWT within a decade may become Canada's largest province in area and least populated—the total population now is about 60,000 whites, Indians and Eskimos.

In Yellowknife, seat of the territorial government, administration of this vast area is backed up by 2,300 civil servants working directly for the territorial government or federal departments. In the past ten years, the face of this old gold mining town has been transformed with high-rise buildings. A new theatre-concert hall is just being finished.

Yellowknife is also seat of the Territorial Council, the elected body from communities all over the NWT, and consisting of 15 representatives, including nine natives. It is heavy with representatives from the Mackenzie District since 40,000 people live there (including Yellowknife).

Yellowknife is also headquarters of the Indian Brotherhood, led by the able Indian activist George Erasmus. Using well-tried tactical methods of the South, he has held the headlines all over Canada with the Brotherhood's "No settlement, no pipeline" threat. Erasmus argues the Berger Report is right and no start should be made on

a Mackenzie Valley pipeline for at least ten years so the native peoples can settle their land claims with Ottawa, adjust to the wage economy, and develop their own renewable resources.

The Dene Indians are claiming a huge territory of their own in the Mackenzie district, in which they would have full property rights, self-government and freedom from any pipeline right-of-way. This territory would be the home of the Dene "nation."

Erasmus has been trying to outflank the more moderate claims of the Metis association, while trying to form a common front with the Inuit (Eskimo) organisation, the Inuit Tapirnat. However, it is questionable whether the Brotherhood, in taking extreme positions, really represents the true majority feelings of any of the native peoples. The concept of the Dene "nation" is largely a negotiating position. Erasmus is not entirely against Mackenzie oil and gas development.

The Federal Government, through the Department of Northern Affairs and the Territorial Government, says all native groups should make their land claims clear, but if possible a common claim should be agreed upon. Then negotiations could go ahead swiftly. The Territorial Council position is clearer and more detailed, and says Ottawa cannot allow special status to any of the native groups. It urges swift progress towards provincial status for the whole NWT and ultimately power over all resources.

Land claims

Some senior civil servants in Yellowknife are confident that a common claim can be developed by the native groups this summer and agreed upon in principle with Ottawa by the autumn. This sounds highly optimistic, considering the strident politicking in Yellowknife and Inuvik among all groups on the issue of pipeline development and the Dene "nation" concept. The native groups ultimately want royalties from the transmission system. Nick Sibbeston, a former council member, the best-known Metis Indian, and now practising law in Yellowknife, believes the native groups can develop a common ground and negotiate this settlement with Ottawa in a year or two—but not by the autumn. He regards a Mackenzie Valley pipeline as inevitable, but wants strict safeguards and a delay in construction ten years, as suggested by Berger, and the south with the Mackenzie Delta via Whitehorse.

This is to turn up the Northern Yukon to mining exploration, accelerating the pace of change in Old Crow.

structures against any pipeline connection between the North Slope and the Delta. Generally most native and white people back "development." This means a Mackenzie Valley line with safeguards and a reasonable delay, or if not that, the Alcan highway route with a spur north in the Delta.

Despite some boisterous stop development campaigns, the native people agree there cannot be a return to the old way of living, and they must participate in the future technical economy. The alternative is a serious economic slow down the Valley, especially in Inuvik and Aklavik, and a ten per cent shutdown in oil-industry exploration effort.

This in turn would mean a return to welfareism and a loss of the self-reliance built up over the last 20 years since Ottawa adopted a new "system of 13 pay" and decided to try to pay its debts to the Inuit, particularly.

Canadian Government officials in Yellowknife told me that Northern Alaska-Delta connection can be justified, just as in whole Mackenzie Valley system can be acceptable environment talks, if Ottawa decides the Arctic project meets the nation's interest.

The Old Crow Indians, living 180 miles west of the Delta on the other side of the Richardson Mountains, told me they still do not want a pipeline near the village on the Porcupine River or crossing their hunting grounds. But they are vague in defining what they mean. The hunting area extends 60 miles north — a common ground and negotiate this settlement with Ottawa in a year or two—but not by the autumn. He regards a Mackenzie Valley pipeline as inevitable, but wants strict safeguards and a delay in construction ten years, as suggested by Berger, and the south with the Mackenzie Delta via Whitehorse.

This is to turn up the Northern Yukon to mining exploration, accelerating the pace of change in Old Crow.

This announcement appears as a matter of record only

UDDEHOLM

UDDEHOLMS AKTIEBOLAG
Hagfors · Sweden

DM 65,000,000.—

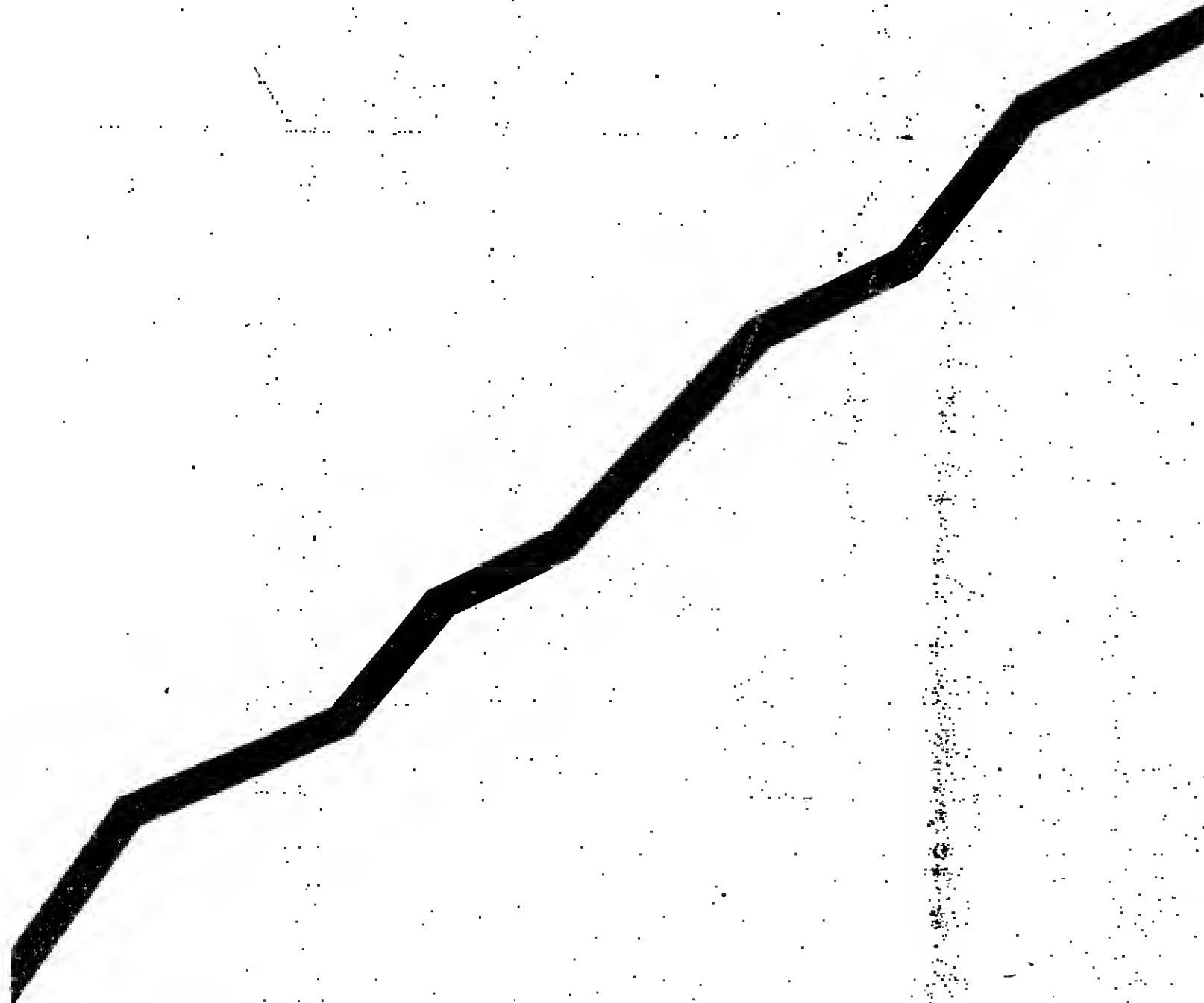
Fixed Rate 5 Years Loan

granted by
DRESDNER BANK
Aktiengesellschaft

DEUTSCH-SKANDINAVISCHER BANK
Aktiengesellschaft

BAYERISCHE HYPOTHEKEN- UND WECHSEL-BANK **BAYERISCHE LANDESBANK GIROZENTRALE**

Financial Adviser to the Company
SKANDINAVISKA ENSKILDA BANKEN



Real growth; it can only be earned.

And the Alexander Howden Group has certainly earned it. We've built up a comprehensive international insurance group over many years, with a turnover of over £77 million in 1976, and pre-tax profits of over £13.3 million. We own Insurance and Reinsurance Brokers, Underwriting Agencies and Insurance Companies, and an international network of offices providing insurance services to clients throughout the world.

And we've done it without diluting our basic strengths and skills—more than doubling our profits and earnings per share in the last four years alone. If that's success, we aim to go on earning it.



Alexander Howden Group Limited
22 Billiter Street, London EC3M 2SA. Telephone: 01-488 0808. Telex: 882171.

SOLVAY GROUP

1976 Results

Rise in external sales and net profit.

	1976	1975	1974	1973	1972
	(million B. Fr.)				
Consolidated external sales	87,847	80,253	78,391	63,796	51,994
Cash flow	11,720	8,178	11,696	9,417	7,183
Depreciation	6,481	6,610	6,387	6,228	4,931
Appropriation to the Inventory adjustment fund	350	341	2,325	656	—
Consolidated net profit	4,889	1,227	2,074	2,533	2,252
Applicable to the Solvay Group	4,083	923	2,371	2,054	1,666

The financial year 1976 was characterized by a sharp recovery; the climax of which took place at the end of the first half of the year. Some deceleration appeared afterwards in some sectors, especially in plastics.

Our Group benefited from the economic revival. However, this improvement of our level of activity is not entirely reflected in external sales and results. These are adversely affected by a strong appreciation of the Belgian franc in relation to the currencies of most of the countries where our Group is established.

In terms of purchasing power, the actual progression is in line with our normal development during the last 10 years.

Continuation of the capital expenditure and research effort, stability of the number of persons employed.

	1976	1975	1974	1973	1972
	(million B. Fr.)				
Capital expenditure	7,065	9,604	8,560	6,406	7,531
Research expenditure	2,257	2,230	1,911	1,633	1,402
Persons employed at December 31	44,109	42,706	44,467	44,274	44,701

Distribution of external sales.

	1976
Alkalis and derivatives	21.0
Salts, fertilizers and calcium products	8.5
Chlorine and derivatives	9.5
Peroxygen chemicals	6.5
Plastics	27.5
Pharmaceutical industry	13.5
Other activities	4.0
	100.0

Good results of the parent company, Solvay & Cie Société Anonyme. Keeping up of the distribution policy.

The net profit amounts to B. Fr. 1,894 million against B. Fr. 1,290 million in 1975 and B. Fr. 1,853 million in 1974.

The Board of Directors decided to propose to the General Meeting on June 13, 1977 to distribute a net dividend of B. Fr. 200, per fully paid share, which would compensate for the reduction applied last year.

The table of the net dividends per fully paid share for the last five years would thus be as follows:

	1976	1975	1974	1973	1972
B. Fr.	200	170	165	170	160

The total gross dividend would thus stand at B. Fr. 250 against B. Fr. 212.50 per fully paid share, and at B. Fr. 100 per C share.

The proposed distribution of the available profit, including the balance brought forward from the previous year is as follows:

Net dividend of B. Fr. 200 per A and B shares	1,278,872,000
Net dividend of B. Fr. 60 per C share	110,887,200
Undistributable reserve (France)	347,439,800
Investment reserve (Spain)	45,614,192
General reserve	52,750,000
Carried forward to next account	160,000,000
	165,848,234

B. Fr. 2,161,411,426

Copies of the English version of the Company's Annual Report, including the detailed accounts for 1976, will be obtainable, on request, from

Solvay & Cie, S.A., Secrétariat Général,
rue du Prince Albert, 33, 1050, Bruxelles (Belgium).

كواليس

STOCK EXCHANGE REPORT

Gilts down on blow to Government's Budget strategy Equities lose early gains and index ends 5.3 off at 450.1

Account Dealing Dates... First Declara- Last Account Dealing... Equities lost early gains and index ends 5.3 off at 450.1. The FT-Actuaries Index fell 5.3 points to 450.1 at the close. The general trend P. and O. Deferred at 157p, but the previous improvement of 4p, while Ocean Transport gave up a like amount in 156p.

Account Dealing Dates... First Declara- Last Account Dealing... Equities lost early gains and index ends 5.3 off at 450.1. The FT-Actuaries Index fell 5.3 points to 450.1 at the close. The general trend P. and O. Deferred at 157p, but the previous improvement of 4p, while Ocean Transport gave up a like amount in 156p.



Equities lost early gains and index ends 5.3 off at 450.1. The FT-Actuaries Index fell 5.3 points to 450.1 at the close. The general trend P. and O. Deferred at 157p, but the previous improvement of 4p, while Ocean Transport gave up a like amount in 156p.

Equities lost early gains and index ends 5.3 off at 450.1. The FT-Actuaries Index fell 5.3 points to 450.1 at the close. The general trend P. and O. Deferred at 157p, but the previous improvement of 4p, while Ocean Transport gave up a like amount in 156p.

FT-ACTUARIES INDICES

Table with columns for indices: Government Sec., Fixed Interest, Industrial Ordinary, Total Minc., Ord. Inv. Yield, Savings, P.E. Ratio, Dividends, Equity Income, Equity Bargain Total. Values range from 68.22 to 128.87.

HIGHS AND LOWS S.E. ACTIVITY

Table with columns for High, Low, and S.E. Activity. Includes data for various sectors like Govt. Sec., Fixed Int., Industrial, etc.

NEW HIGHS AND LOWS FOR 1977

Table listing new highs and lows for 1977 across various sectors: Insurance, Newspapers, Property, Trusts, etc.

OPTIONS TRADED

Table showing options traded in Ultramar, Brink, Bureau, Lennons Group, etc. Columns include Dealings, Last, Declara., Settling, For, etc.

RISES AND FALL YESTERDAY

Table showing rises and falls yesterday for various sectors: British Funds, Corporate, Industrial, etc.

ENTERTAINMENT GUIDE

CC-These theatres accept certain credit cards by telephone or at the box office. OPERA & BALLET, THEATRES, PALLADIUM, THEATRE, etc. Listings for various theatres and performances.

RECENT ISSUES

Table of recent issues in equities and fixed interest stocks. Columns include Issue Name, Price, etc.

"RIGHTS" OFFERS

Table of rights offers. Columns include Issue Name, Price, etc.

ACTIVE STOCKS

Table of active stocks. Columns include Stock Name, Price, Change, etc.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Large table of FT-Actuaries Share Indices. Columns include Equity Groups, Fixed Interest Price Indices, Fixed Interest Yields, and Active Stocks. Includes sub-sections like CAPITAL GOODS, CONSUMER GOODS, etc.

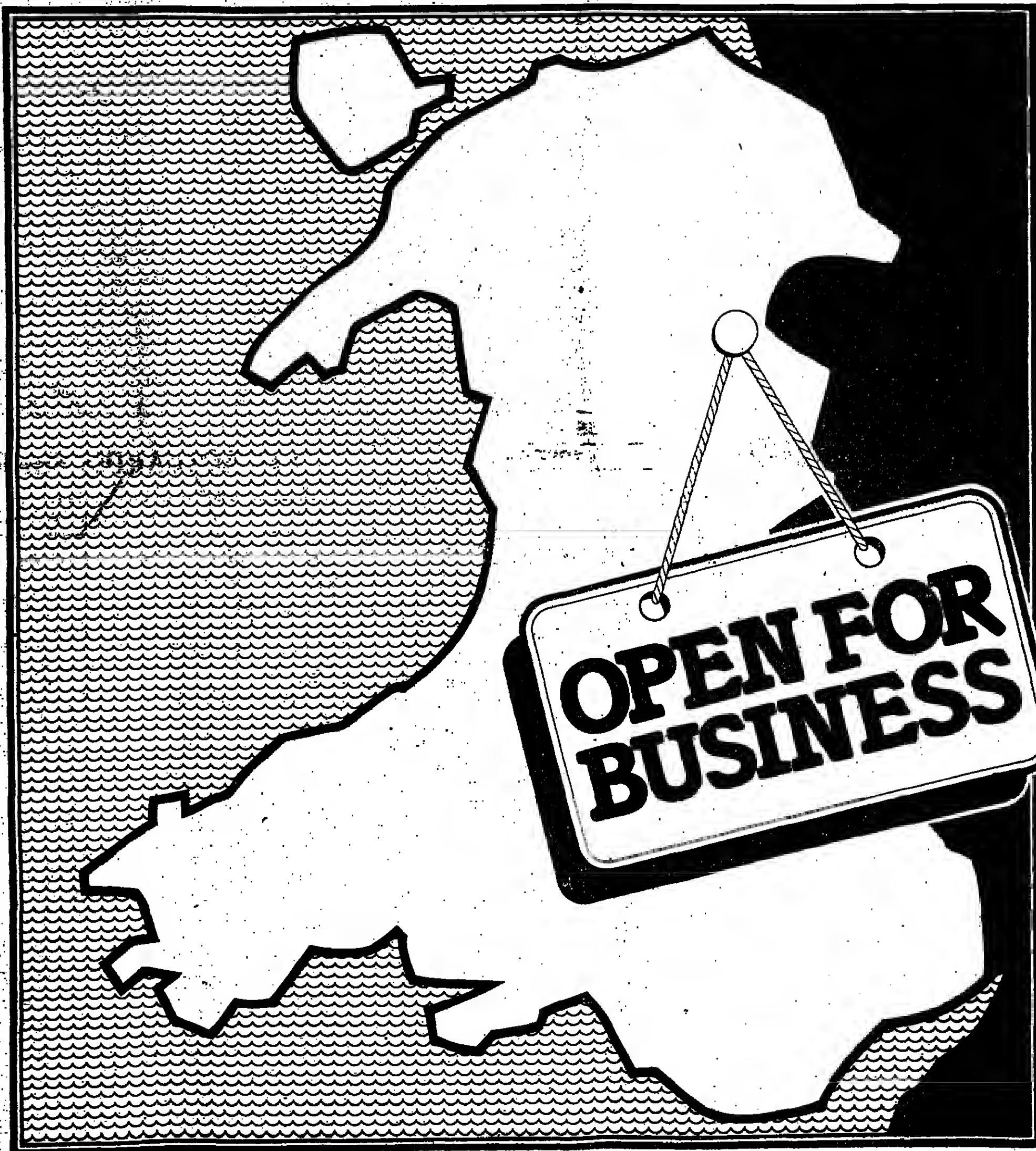
FINANCIAL TIMES SURVEY

Thursday June 16 1977

WALES

Dr. J. J. Jones

Devolution is proving an awkward political issue to settle, and for Wales one on which the Welsh themselves are divided. But whatever solution finally emerges, it seems clear that at root the well-being and progress of the Principality will depend on efforts within and without to establish a sounder economic structure.



Wales is a good place in which to invest or to expand.

The whole country qualifies for the numerous Government Incentives available for Expansion Areas.

In industrial terms the economy is not solely dependent upon the steel and coal industries although these play major roles. The industrial base is broader both in sector spread and in size of business. But there is ample room and every inducement for more light industry or for wholesale distribution points or for mail order houses to mention a few examples.

Newly on the scene, the

Welsh Development Agency can immediately offer:

Well developed industrial sites throughout Wales.

Modern, sensibly designed factories of various sizes.

A dynamic, down-to-earth business advisory service provided by industrialists for industrialists.

A special investment capability, either by loan or by equity, to inject capital into a wide span of business in Wales whether large or small.

The advisory and financial capabilities of its Small Business Unit.

An eagerness to help successful

enterprises of whatever size or kind to expand and to prosper in Wales.

The Welsh Development Agency, as the largest industrial landlord in Wales, is well placed to give ready sensible advice in commercial terms to those considering expansion or setting up anew in Wales.

The Agency, working in conjunction with The Development Corporation for Wales, believes that Wales offers many benefits. Many businesses who have successfully established here believe so too. If you're in business and are minded to move or to expand try a land that is 'Open for Business'.

We'll gladly supply any details you ask for:

Tony Pender,
Commercial Director,
The Welsh Development Agency,
Treforest Industrial Estate,
Pontypridd. Tel: 2666. Telex: 497516.

or, for the ease of those in the USA,

Aled P. Davies,
Valparaiso
Indiana 46383

Barry Smedley,
Santa Monica (213) 394-2641

Welsh Development Agency

COOKE & ARKWRIGHT

CHARTERED SURVEYORS

Enquiries for Shops, Offices, and Industrial Properties and Investments in Wales and the West Country

7/8 Windsor Place Cardiff. Tel: 0222 45436

10 Harcourt House 19 Cavendish Sq. London. Tel: 01-580 4949


LLYFRŊELL GENEDLAETHOL CYMRU THE NATIONAL LIBRARY OF WALES

Aberystwyth, Dyfed, SY23 3BU Telephone 0970 3816/9 Telex 35165

- The main centre for research into the history, literature and life of Wales, containing approximately: two million printed works; thirty thousand volumes of manuscripts; three and a half million deeds and documents; and a very large collection of maps, prints, drawings, portraits, etc.
- All kinds of similar material relating to the other Celtic countries.
- Reader's Room facilities are available as follows: Mondays to Fridays 9.30 a.m. to 6.00 p.m. Saturdays 9.30 a.m. to 5.00 p.m. to those in possession of Readers' Tickets.

The Library is closed on Sundays and over Christmas (3 days), New Year's Day and Easter (4 days). Full details of the following available from the Secretary of the Library at the above address:

- The Exhibitions which are held every Summer (10.00 a.m. to 5.00 p.m., free admission)
- The Association of Friends of the National Library
- The Journal of the Library and other publications
- A varied photographic reproduction service at reasonable prices



WEST GLAMORGAN COUNTY COUNCIL

JOIN IN THE EXPANSION OF THIS COUNTY WHICH INCLUDES:—

- Metal producing industries steel, aluminium, nickel and titanium.
- Petrochemical industry
- Service distribution centre
- Excellent Transport links
- Areas for further industrial development.

W. Glam. County comprises areas of:— Swansea City (including the Gower beaches) Neath, Afan (town of Port Talbot) and Lliw Valley.

M.E.J. RUSH—County Clerk. Enquiries to: R.A. Whewy, West Glamorgan County Council, Industrial Development Officer, The Guildhall, Swansea SA1 4PA. Tel. Swansea 460014 or 460948 Tel. Swansea (0792 STD) 50621 Telex 48396

A mood of indecision

THERE IS, it must be admitted, a certain irony in the mood of indecision or even apprehension which currently affects much of Wales. For after a number of years in which rival protagonists in the language battle have painted out each other's signs, it is Welsh people who at a very definite crossroads for the nation now appear uncertain which direction to take.

The last 15 years in particular have seen a remarkable development of the notion of Wales as an entity, so that if it was ever true that the three parts of Wales—North, Mid and South—could be regarded as appendages of Liverpool, Birmingham and Bristol it has become increasingly less the case.

The creation of the Welsh Office in 1964—the best part of 100 years after its Scottish counterpart—can now be seen as a very significant landmark in the history of Wales, for it has been followed almost every year since by the creation of other institutions looking at problems and formulating policies on an all-Welsh basis.

It has been a period, as Mr. John Morris, the Secretary of State for Wales recently pointed out—without parallel in Welsh history in terms of the drive to set up Welsh bodies, and while many of these have been Government or quasi-government bodies, like two of the most recent—the Welsh Development Agency and the Land Authority—recognition of Wales has come, too, from other organisations.

After more than 100 years of opposition the TUC agreed in 1974 to the establishment of a Welsh TUC—now a body firmly placed on the consultation list and an important forum for discussion of Welsh issues. The EEC, too, established its first office outside the capitals of the nine member countries in Cardiff under Mr. Gwyn Morgan, former chief of Cabinet for the U.K. Commissioner, Mr. George (now Lord) Thomson.

But while in some respects at least the mechanics of nationhood have now been established, the prospect of an elected Assembly, placing power over the many Welsh decisions now made in Wales in Welsh hands, has left the country divided. What polls have been taken show a hard core of support for devolution (with a relatively small proportion wanting to go even further towards complete independence), an equally firm minority of opposition, and a large body in the middle whose state of mind is uncertain and who are presumably open to persuasion if renewed Government proposals for Wales ever sur-

mount Parliamentary hurries and reach the stage of being put to a referendum.

It is a degree of uncertainty which is perhaps understandable against the prevailing background of political and economic life in Wales. Unlike Scotland, Wales has not had any oil to lubricate its national aspirations, and as an economy Wales remains much more dependent on its close links with the English manufacturing sector and on access to capital raised outside Wales. Though the manufacturing base has been broadened significantly a very high proportion of employment is still in one or two sectors—namely metal manufacture—where significant job reductions are projected over the next decade.

Investment

Even before the big job losses in steel the recession had hit Wales hard, and more than 70,000 people, or roughly 7 per cent. of the total workforce remains out of work. The inflow of new manufacturing industry on which Wales has come to depend over recent years has largely dried up over the past two to three years, though some substantial schemes announced before the recession are due to come on stream soon. Other major investment plans are also now again being set in motion, including the British Steel Corporation's massive £335m. expansion programme for its Port Talbot works.

But while the economic situation is one important reason for the doubts and uncertainties which remain in Wales, another issue which could be potentially divisive is the language. For on all sides in Wales it is recognised that the Welsh, now spoken by only a fifth of Wales's 2.6m. population, has reached a crisis point, and that its future could be determined within the next decade.

Enormous goodwill exists among most non-Welsh-speaking Welshmen towards Welsh but a polarisation has nevertheless begun. On the Welsh-speaking side there is a growing desperation at the effects which unemployment, depopulation and second home ownership are having in the rural heartlands of the language in the North and West. Much of this feeling is crystallised in the demands for the fourth television channel in Wales to be predominantly in Welsh for it is forcibly argued that after surviving for 1,300 years alongside English it is the pressure of television and radio mass culture in the last 25 years which have begun to place

doubts on the ability of Welsh to survive far into the next century.

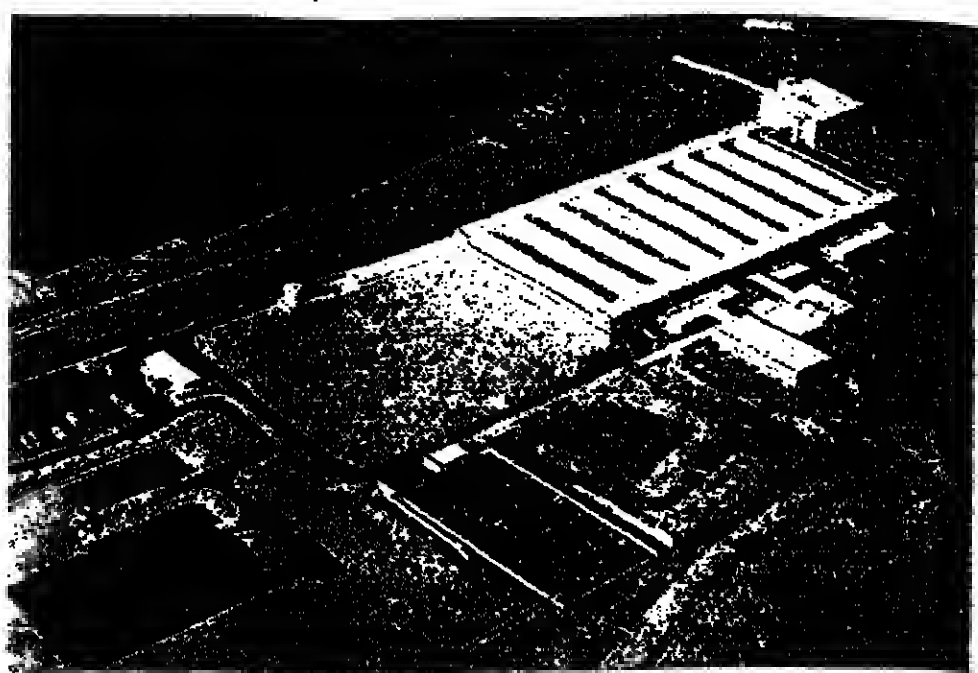
On the other side there is opposition in some areas to Welsh teaching in schools and if some sections of the population are now less than enthusiastic for the Assembly one of the reasons is fear—fostered in some extent by the anti-devolutionists—of domination by a language minority. It is through this minefield that the Government has to plot its course in reviewing its devolution strategy for Wales over the next few months with the knowledge that its own ranks are the most firmly divided on the issue. The attitude which Plaid Cymru and the Liberals on the one hand and the Conservatives on the other take towards the setting up of an Assembly in Cardiff is clear enough. For the Conservatives the assembly idea represents an additional and unnecessary tier of government, a view which the CBI in Wales has also put forward.

On the Labour side, however, while the party in Wales has supported an elected assembly for nearly ten years with votes in favour every year at its annual conferences, a section of the Parliamentary party remains implacably opposed. Some of the old guard in South Wales, where the party has recently sustained new setbacks at the hands of Plaid Cymru in local elections, also have reservations.

The important decisions on devolution legislation will of course ultimately be taken by Labour's Parliamentary tacticians with an eye as much to the chances of securing continued life for the Government as for Welsh needs, but the most likely outcome seems to be a split Bill, treating Wales and Scotland separately, to replace the Joint Scotland and Wales Assemblies' Bill which failed to get sufficient support in the Commons earlier this year.

Before, then, however, a renewed battle will almost certainly be joined in Wales in a bid to secure for the Assembly a wider measure of support, with the Labour party in Wales at official level anxious to put across the message that the proposed Assembly will operate only in areas where the Secretary of State currently exercises authority and that the proposal represents an extension of democratic control rather than the slippery slopes towards independence.

Certainly there are plenty of areas of Welsh life where responsibility is now concentrated in the hands of the various nominated bodies set up on an all-Wales basis in recent years and where the only form of accountability is through the Secretary of State. In a number of cases in recent years actions by these bodies have been the subject of considerable debate in Wales. Thus the new Wales Water Authority set up in 1973 proceeded with equalisation of charges and removal of subsidies only to find it had provoked



A model showing the new manufacturing complex being built by the Development Agency for Hower Ltd. at Merthyr Tydfil. The £10m. project the biggest single investment by the WDA and when complete in about two years is expected to provide around 3,000 new jobs.

considerable antagonism. The Welsh Arts Council, rightly or wrongly, has come in for criticism over the use of its powers of patronage—as with the recent sharp cutback in its grant to the Welsh Drama Company.

There are other areas too where a need for firm policy-making whether through an Assembly or not, have emerged. In industrial South Wales the various counties are engaged in drawing up their own structure plans without any real settlement of the basic issue whether development should be encouraged in the valleys or in the coastal plains, in particular the new tracts of land which could be made available along the banks of the upper Severn. Issues of this sort have tended to recur throughout Wales and because they require Solomon-like judgments from the Secretary of State and the civil servants advising him the tendency has been for the decisions not to be taken.

Debate

There is also debate in Wales over whether or not there is a need for an overall plan. Mr. Morris himself has rejected the idea in favour of allowing local authorities to come up with proposals tied to local requirements and conditions, but there are others who argue that a new broad framework outlining the targets to be aimed at and the strategies to be adopted is needed.

The other issue which also now needs a firm lead is whether or not the new system of local government in Wales requires further modification. The new authorities set up in 1974 have run into widespread criticism—not least from some of the authorities themselves—because of the enormous size of some of the units created and the consequent distances that members and officials have to travel, and because of the scope for disagreement between the

county and district tiers built into the structure. A consensus is now beginning to emerge in favour of a one-tier system as a means of reducing some of the duplication and of restoring more manageable county areas in some parts. Whether or not an Assembly is eventually set up to help resolve some of these issues, the dominant influence over the period immediately ahead in Wales will again be the state of the overall U.K. economy, for it is on this that the ability to sustain the higher levels of spending needed to improve the social and industrial base still largely depends.

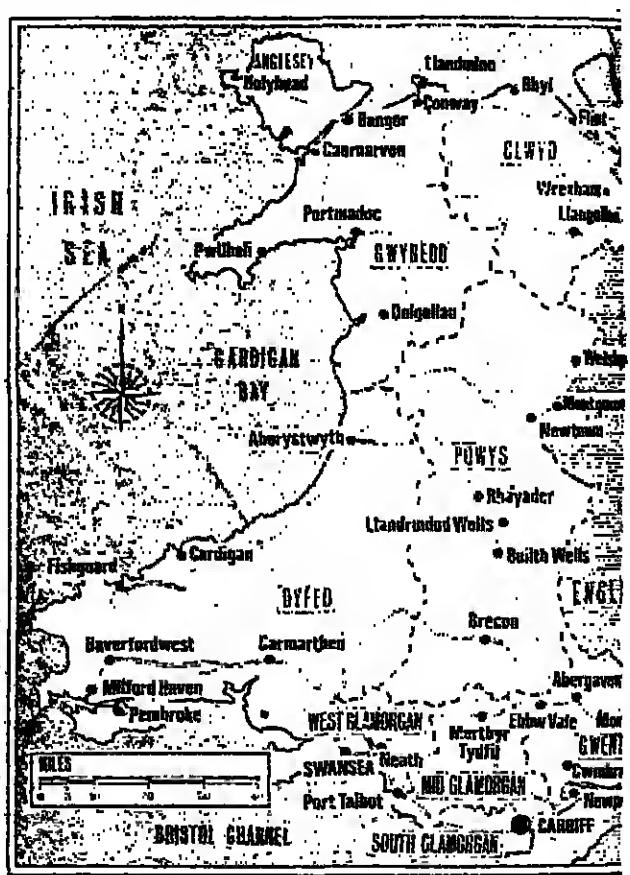
Nevertheless, while Wales's close links with the rest of the U.K. remain crucial to its future prosperity, much of the effort

now being expended in various new bodies set up in recent years—such as the Development Agency aimed at reducing Wales's dependence on Britain; more vigorous within the Welsh manufacturing sector, still characterised to great an extent by small medium-sized concerns.

The hope is that almost continued efforts in Wales will again be the state of the overall U.K. economy, for it is on this that the ability to sustain the higher levels of spending needed to improve the social and industrial base still largely depends.

Nevertheless, while Wales's close links with the rest of the U.K. remain crucial to its future prosperity, much of the effort

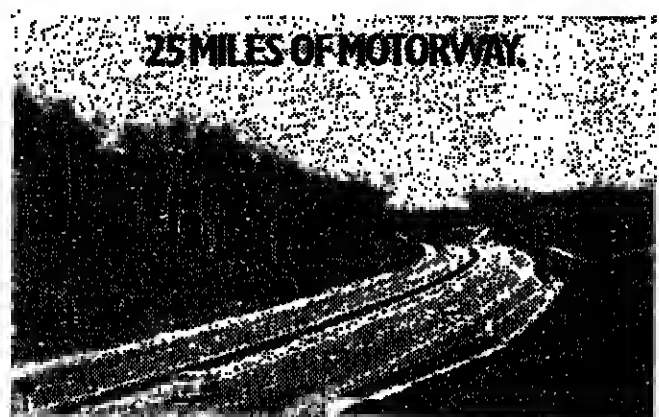
Rhys D



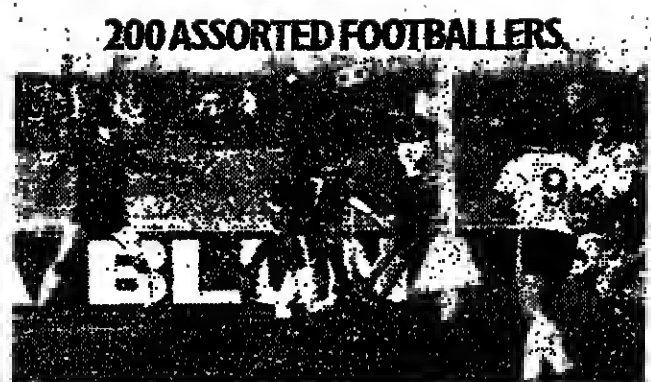
WHAT CAN YOU GET FOR £50,000,000 THESE DAYS?



TWO SUPERTANKERS.



25 MILES OF MOTORWAY.



200 ASSORTED FOOTBALLERS.



OR THE MOST UP-TO-DATE ROD MILL & STEEL MAKING PLANT IN THE WORLD.

GKN Rolled & Bright Steel are in the middle of an expansion programme that's putting us right up there with the world's leading steel converters. We've already spent £26,000,000 on a new rod mill that's now on stream. Work is well ahead on a £6,000,000 modernisation scheme for our new bar mill in Cardiff. And we've recently commissioned a completely new £20,000,000 steel making plant.

Over £50,000,000 is a lot to spend on making sure the quality and availability of the raw materials our member companies use is second-to-none.

But then, we like to keep customers happy. If you'd like more information on what you're getting for our money, please write.

GKN Rolled & Bright Steel Ltd. P.O. Box 3, Castle Works, Cardiff CF1 1TP. Tel: 0222-55055. Telex: 49516.

Overhaul of aid machinery

IT IS a somewhat sombre fact that regional assistance in its various forms has long since passed its Jubilee in Wales. More than 40 years have now gone by since the first Government-built factories began to appear, and despite periodic changes of policy and virtually continuous effort, major problems remain.

Nevertheless, though new initiatives bring justifiable scepticism, some recent developments are giving rise to cautious hopes that a new period of more effective action to tackle seemingly intractable problems may be in sight.

The possibility arises because, at a time when new investment into Wales has been virtually at a standstill as a result of the recession, the opportunity has at least been taken to give the assistance machinery its biggest ever overhaul.

Action

The Welsh Development Agency, the little brother in Wales of the National Enterprise Board, has taken over a variety of jobs previously discharged by a number of bodies, offering the prospect of co-ordinated action on Welsh economic problems. The agency has become the main industrial land owner and developer in Wales and the inheritor of the already large derelict land clearance programme under way since 1967. In addition it has been given powers to give loans and guarantees to industrial enterprises, to take equity holdings in companies or to operate enterprises itself. It will also act in an advisory capacity to sort out industry's problems in

Wales, and will be helping with the more general work of promoting Wales as an industrial location.

Nor is it the only new organisation to arrive on the scene. In mid-Wales, an area long hit by depopulation and the decline of traditional rural industries, the Rural Development Board for Wales will be trying to bring together previously diffused effort. Working closely with the WDA, it will take on responsibility for promotion of rural industries and for extending the work hitherto done by the development corporation in Newtown, Powys, over the whole of the largely empty mid-Wales area.

In another move, responsibility for administering industrial policy in Wales has been transferred from the Department of Industry to the Welsh Office, where something approaching a crusade is now under way to make known the scope and range of the selective assistance now available to industries either coming to Wales for the first time, or equally importantly, already there.

For this new structure as for the old, the problems are apparent. Though there was considerable success in the 1950s and 1960s in attracting new manufacturing industry in Wales, the base of the Welsh economy remains too narrow, with too much dependence on steel and tinplate, and to a lesser extent now on coal. Wales continues to be one of the parts of the U.K. most seriously affected by unemployment, despite some narrowing of the gap with the rest of the U.K. in recent years. The proportion of

people drawn into work in Wales, and particularly women, continues to be the worst in the U.K., depressing income per head and the overall Welsh standard of living. A study by Cambridge economists for the Welsh Office put the number of new jobs created between 1960 and 1972 at 80,000 against a total of 250,000 required to replace those lost and to bring activity levels up to the U.K. average.

Masks

The prolonged recession of 1974-76 has itself exposed further weaknesses. A large proportion of the Welsh workforce is employed in very small units supplying goods and services to the nationalised industries and to manufacturers of final products in other parts of the U.K., so that Welsh companies have been particularly hit by the cut-back in ordering. Redundancies declared in Wales topped from 7,410 in 1974 to 17,201 in 1975, 20,372 in 1976 (including construction workers) and in the first five months of 1977 amounted to 10,493. As a result, at the bottom of the recession Wales moved above the North of England and Scotland in the 1950s and 1960s in attracting new manufacturing industry in league, and although it has now returned to its more traditional third place, there are still some 77,555 people out of work, roughly 7.4 per cent. of the total workforce.

Even this high overall percentage masks disturbingly high levels in some towns. In Cardiff and Merthyr Tydfil the first deals with a number rate is now nearly 17 per cent. small companies have re-

with a number of other in many of them in the rural land—with rates over 1 cent. Industrial areas have been hit. In the north-east industrial corner in Wrexham, 4,342 people—nearly 1 cent.—were out of work in the first five months, and even in the traditionally prosperous south Wales, Cardiff and Newport both have more than 6 per cent. unemployed.

Further recovery in trade and in U.K. production generally obviously offer main hope of relief, but the WDA believes that long-term solutions will have to be found in the future on a growth among existing industries. Through the Development Corporation for Wales, largely funded by the V from the search for new investment from Europe, North America and Japan will continue to be encouraged, but recent inquiries are said to have been encouraging, but not recognised that in the next few years there will be much footloose industry about a more competition for it.

The WDA is hoping that substantial part of the job can be filled by helping and medium-sized companies, with the agency becoming involved in loans and equity participation. Mr. Ian Gray, the WDA's managing director, has recently unveiled plans to spend a total of £180m. over five years, about a third going into trial investment and private equity. After a somewhat slow start the first deals with a number rate is now nearly 17 per cent. small companies have re-

CONTINUED ON NEXT PAGE

Handwritten signature or mark at the bottom of the page.

The need for new jobs

THERE ARE early signs that confidence is returning to industry in Wales—although the region is still deeply affected by the recession. An indication of the slight shift towards a more secure future are the 127 enquiries received in the first four months of this year by the Industry Department of the Welsh Office from companies which are looking for sites for factories. In the same period last year there were only 95 enquiries, and officials feel that interest this year could be creeping up to 1975 levels.

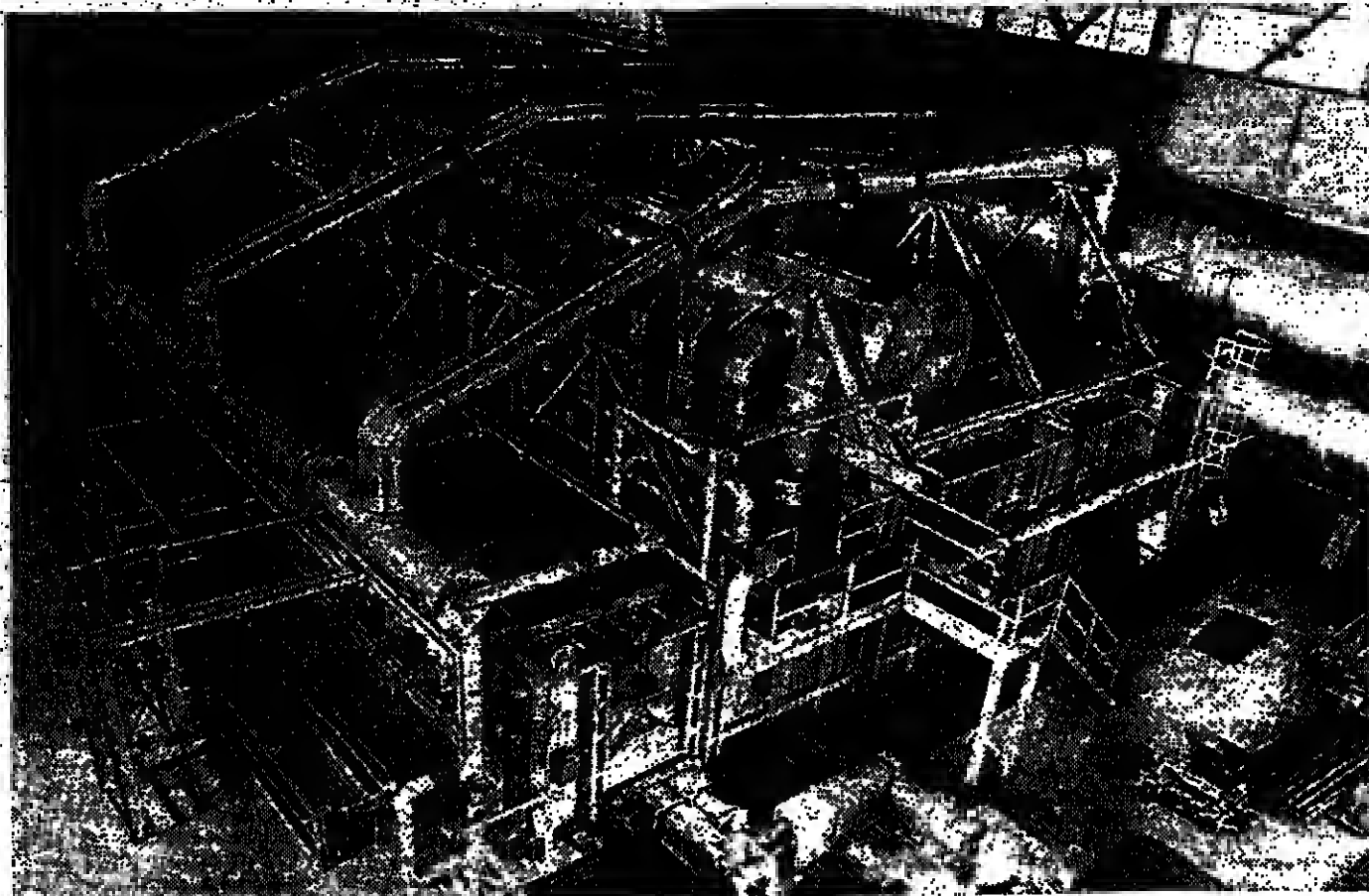
The 18-month-old Welsh Development Agency has also noticed an increase in the number of companies in the past three months seeking information about its advance factories. The Welsh Office and the WDA interpret these enquiries as moves in the right direction, but not yet positive proof that better times are just around the corner.

Their analysis is backed by the banks, who say industrial investment is patchy, with most companies being too cautious about the future to embark on major schemes. There have been notable exceptions—GKN in Cardiff completed a £51m. electric arc steel plant and rod mill during the recession. Hoover's at Merthyr decided to go ahead with a £10m. expansion and the British Steel Corporation received permission to invest £835m. for doubling the output at the Port Talbot steel-works.

But the Welsh industrial malaise—when the United Kingdom's economy catches a cold Wales gets pneumonia—has really struck home during the last few years. Unemployment is virtually static at almost 8,000, about 7.7 per cent. of the working population, and any falls are simply due to seasonal factors or Government measures such as Job-Creation and Work-Experience. The Welsh rate of unemployment has been consistently higher than that of the U.K., and a disturbing feature has been the high proportion of jobless in the under 25 age group.

There have been no signs of any major re-employment of people in manufacturing, and predictions see no change in the underlying jobless levels at least for this year. Companies are still closing, and in addition there are cuts in work forces through redundancies and natural wastage, but the pace of major reductions appears to have slowed from the 1976 levels.

Welsh industry has been stretched to its limits in coping with the recession, and generally the companies geared for exports are the healthiest and has been committed so far to most confident. Positive efforts have been made to seek out new export markets, and the Government, trade unions and National Coal Board are all working together to help. In 44 leading Welsh firms, surveyed by the Welsh Office, sales overseas were up in 1974. A completely new



A new rod mill at GKN (South Wales) Ltd's, Castle Works in Cardiff.

an average 50 per cent. in 1976 compared with 1975.

One example of diversifying to capture exports is the industrialised home building system designed by the Caserphilly-based steel, door frame and metal manufacturers, Celtic Components. The company has already won an order for five of the homes for Saudi Arabia—one of them with four bedrooms and two bathrooms—which can be erected on site in a week. There is a good chance of an order for at least another 25 of the homes which are developed specifically for hot climates.

Expansion

Avon Indiatable's export record—about 60 per cent. of its production is sold overseas—has prompted the company into a major expansion. To meet increased demand for rubber boats, life rafts, life jackets and other equipment the company have recently started production in a new factory at Hendy, near Swansea. Further expansion means that by next year Avon Indiatable will have three times the floor space of its original premises at Llanelli. The current work force of about 400 will be increased by 170 over the next three years.

The coal industry in South Wales has pushed ahead with massive investment and recruitment despite the recession and continuing heavy cash losses. About £40m. of capital spending has been committed so far to the coal fields since Plan for Coal—the Government, trade unions and National Coal Board are all working together to help. In 44 leading Welsh firms, surveyed by the Welsh Office, sales overseas were up in 1974. A completely new

mine at Betws, near Ammanford, will start producing to traffic next spring. Other major schemes have included joining neighbouring pits into larger more efficient units. Elsewhere, new drift shafts have been sunk to extract coal more quickly, or open up extra reserves.

Early next year the NCB South Wales area is expected to put to the national Board a £40m.-plus plan for a new mine at Margam, near Port Talbot, to exploit 31m. tons of high quality coking coal. Test borings and seismic surveys have been carried out, and work is under way on preparing a feasibility study for the project.

South Wales has the U.K.'s only anthracite seams and about 70 per cent. of the country's reserves of coking coal—and both fuels have assured long-term demand. The area is suffering short-term problems of low productivity and cash losses, but these are expected to disappear when the full benefit is reaped from investment schemes now taking shape. In addition, the requirements for power station coal are below predicted levels because of tech-

Overhaul

CONTINUED FROM PREVIOUS PAGE

been announced, involving a total expenditure so far of about £1m. A £250,000 stake is being taken in M. Mole and Son of Newport to help it expand overseas sales of its self-grip wrenches and other hand tools, and other stakes have been built up in an electronic concern, an aluminium extruder and a woollen company. Although these are all comparatively small, a total of 55 serious applications for investment finance are now being considered, Ian Gray states. In a move designed to encourage companies needing help to come forward, the agency has let it be known that the equity stakes may be sold back later on agreed terms—a decision which has indicated that the agency is prepared to differ on some matters of principle from the N.E.B., where Welsh conditions demand a different approach.

One of the major problems, according to Ian Gray, a Scot who has previously held a senior civil service industry job in Wales, is that many Welsh companies are under-capitalised, especially those without the backing of a parent elsewhere. Many have funded long-term growth with short-term borrowings and have run into particular difficulties in times of tighter credit. The WDA sees its role as helping to expand the capital base and so remove difficulties of this sort. By ceding an equity stake rather than taking a loan companies will not be faced with an extra charge on the business and gearing will also be improved, making it easier to borrow from other institutions. This in turn can help companies to grow by giving them access to money needed to re-equip, to improve their technological base or to expand into new products or markets. "The emphasis is on the development of profitable enterprises with long-term potential. It is not on the provision of short-term finance nor on the preservation of employment where there is no prospect of long-term profitability," Mr. Gray points out.

The agency also hopes to be able to help businesses by the provision of advice, using either its own resources or outside expertise. "Many firms in Wales fail to meet their objectives of profitability and expansion, not because their venture is fundamentally unsound but because they lack expertise in certain areas. A limited amount of

changes are working to the disadvantage of Wales at a time when help is most needed. A major blow was the ending of the Regional Employment Premium, which was worth more than £25m. a year to Welsh manufacturing companies. The Confederation of British Industry predicts that as many as 8,000 job losses could eventually result from the axing of REP as firms cut work forces and cancel expansions.

There is also concern that the Industrial Development Certificate system is being weakened, with the Department of Industry now more willing to grant certificates for factory expansions in the Midlands and the South-East of England. Traditionally Wales has drawn many of its new firms from these areas—moving in through a combined result of the attraction of regional grants and the inability to get IDCs for expansion at existing locations. Grow-

ing difficulty in bringing in firms from other parts of the U.K. is placing a growing emphasis on winning foreign investment. The WDA has recently increased its grant to the Development Corporation for Wales, which will be in the forefront of the struggle to entice new jobs to the region.

The Government is facing increasing criticism over the effectiveness of its regional policies. There are fears that

ing difficulty in bringing in firms from other parts of the U.K. is placing a growing emphasis on winning foreign investment. The WDA has recently increased its grant to the Development Corporation for Wales, which will be in the forefront of the struggle to entice new jobs to the region.

Loan

Growing stress is being placed on help from the EEC Under the European Regional Development Fund Wales has already received more than £17m in aid to schemes including improving the infrastructure as well as assistance to individual companies. European investment bank loans for projects has reached about £100m., most of it to the steel industry, to improve telecommunications and power supplies. The most recent loan was £8.2m to the Welsh National Development Authority for sewage and water projects in South Wales.

The industrial face of Wales has changed dramatically, with coal mining and steel towards a greater diversity. In 1965 mining and quarrying employed 94,000 people in Wales and engineering of all types 58,000. By 1974 employment in the primary industries had dropped to 48,000 and engineering had overtaken them with 69,000 workers. In the same period employment in metal manufacturing—mainly the steel industry—decreased from 99,000 to 83,000 and has fallen considerably since due to BSC closures and manpower reductions aimed at equaling European levels.

Much more needs to be done to ensure Wales against the worst of future recessions. A study by Cambridge University economists Barry Moore and John Rhodes showed that between 1960 and 1972 about 70,000 to 80,000 new jobs were created in Wales. In relation to its size Wales was more successful than any other Assisted Area, but to solve the imbalance in the region's labour market up to 250,000 new jobs need to be

created in Wales. In relation to its size Wales was more successful than any other Assisted Area, but to solve the imbalance in the region's labour market up to 250,000 new jobs need to be created in Wales. In relation to its size Wales was more successful than any other Assisted Area, but to solve the imbalance in the region's labour market up to 250,000 new jobs need to be

Garrod Whatley
Western Mail

JOHN D. WOOD



PROPERTY IS OUR BUSINESS

You cannot afford to be wrong re property values in the balance sheet. Don't guess, the professionals can advise. You may also require advice on sale, leasing, or acquisition of premises. We are at your service in South Wales

Eagle House, Talbot Road, Port Talbot, Glam. Telephone 06 396 2087

also at London, Newbury, Horsham, Southampton, Edinburgh, Paris and Amsterdam

CARDIFF

OLIVER HOUSE - HIGH STREET
EXCELLENT NEW OFFICES
THREE FLOORS - 6,300 SQ. FT.

- * Heating & Ventilation
- * Insulated Windows
- * Toilets to all Floors
- * Passenger Lift

TO LET

AS A WHOLE OR MAY DIVIDE

Brochure and Further Details From:

Cooke & Arkwright
7/8 Windsor Place
Cardiff.
Tel: 0222 45436

Hillier Parker
77 Grosvenor St.
London, W.1.
Tel: 01-629 7666

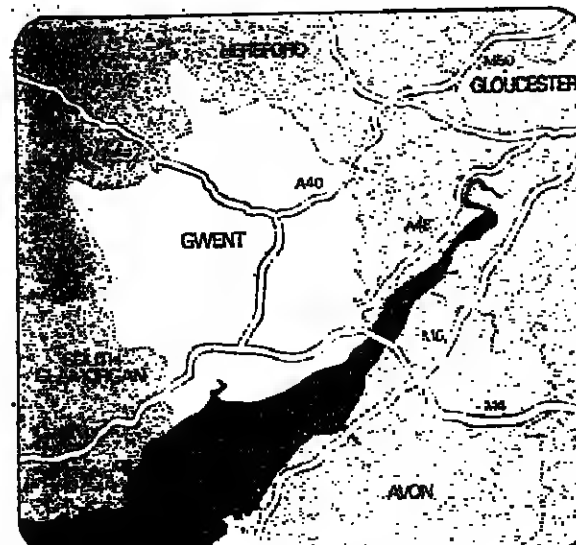
Just across the Severn Bridge—Wales at its most approachable.

Moving West over the Bristol Channel, your first sight of Wales is the County of Gwent. There could be no more gentle introduction. Recognised as one of the loveliest regions in Britain for tourism, Gwent is also being carefully developed for commerce and industry.

530 square miles of gloriously varied countryside contains a population of nearly 450,000 people, keen to contribute towards the increased prosperity and controlled growth of their homeland. The County of Gwent offers every

encouragement to businesses considering re-location. Practical help with finance, choice of sites and there are ready-built factories to rent or buy. The housing situation is good, educational and sporting facilities are excellent. All of this is about one and a half hours from London and two hours from Birmingham. A combination of motorways, intercity rail services and a choice of seaports and airport connects this region with all the major business centres in Europe. You should find out more about Gwent—in more ways than one the first county in Wales.

Write or phone for a booklet on Industrial Information—Gordon Probert or Ian Rooks, County Hall, Cwmbran, Gwent. Telephone Cwmbran 67711 Ext: 573.



The First County in Wales



In Clwyd today 123,000 people went to work as usual

Clwyd's multi-skilled, 123,000 strong workforce has preserved quite a number of old-fashioned virtues. Among them is the idea that a fair day's pay is a good return for a fair day's work. Which is why Clwyd can justly claim to be one of the best labour relations records in Britain today.

It's only one of the factors that convinced such diverse, internationally-known organisations as BICC, Dunlop, Kellogg and Pilkington that Clwyd was the right place to invest.

Among other factors are Clwyd's excellent communications—easy access to road, rail and air networks and proximity to the north-western seaports, readily available factory units or sites and extensive financial aid.

And one more of Clwyd's quaint old-fashioned virtues—it's an outstandingly pleasant place to live and work.

Get the facts on Clwyd. Write to Wayne S. Morgan, County Industrial Officer, Shire Hall, Mold, (Tel: Mold 2121) for a free colour brochure



CLWYD - at the peak of Welsh potential

Rhys David

WALES IV

DOUGLAS

Companies in the Douglas Group have made, and continue to make, valuable contributions to the industrial and environmental development of Wales.

R.M. DOUGLAS CONSTRUCTION LTD.

Builds for industry, commerce, public authorities to clients' plans, and will provide, if required, a complete design and construct service, in conjunction with consultants.

Recent contracts include:

Galvanising Line, Ebbw Vale, for Redpath Dorman Long (Engineering) Ltd. - New Mill at Wauwrydd for Alcoa Manufacturing Co. (G.B.) Ltd. - M4 Motorway, Stormy Down to Gwent, Stage 2, for Mid-Glamorgan County Council - Factories at Fforestfach, Llantrisant, Pentwyn, Treforest, for Welsh Development Agency - Guildhall Extensions for Swansea City Council - Factory Extensions, Cardiff, for British Leyland (U.K.) Ltd. - District General Hospital, Merthyr Tydfil for Welsh Hospital Board - Extension to Natural Sciences Building for University College, Swansea.

Specialist Services are provided by:

BRITISH LIFT SLAB LTD.
Lift Slab Method of Multi-Storey Design and Construction. Sintercrete Slipform System.

R.M. DOUGLAS ASPHALT & PAVING LTD.
Mastic Asphalt, Tar Paving, Road Surfacing.

R.M. DOUGLAS ROOFING LTD.
Insulated Metal Roof and Wall Cladding.

MARSHALL DAVIS & CO. LTD.
Decorative and Wood Block Flooring, Tiling, Suspended Ceilings.

DOUGLAS ENVIRONMENTAL ENGINEERING LTD.
Heating, Plumbing, Electrical Engineering and Painting.

DOUGLAS TECHNICAL SERVICES LTD.
Civil and Structural Engineering and Building Design, Soil Mechanics and Foundation Engineering.

RAPID METAL DEVELOPMENTS LTD.
Formwork, Scaffolding and Equipment for the Building and Civil Engineering Industries.

DOUGLAS PLANT LTD.
Plant Hire and Supply.

All these services are available from:

138 HEOL-Y-GORS, CWMBWRLA, SWANSEA SA5 8LT. TELEPHONE: SWANSEA 50866.

CAMBRIAN BUILDING, MOUNT STUART SQUARE, CARDIFF CF1 6DL. TELEPHONE: CARDIFF 42794.

Head Office: 395 GEORGE ROAD, BIRMINGHAM B23 7RZ. Telephone 021-356 4888

Regional Offices: LONDON, CARDIFF, SWANSEA, STOCKTON-ON-TEES, WIGAN, GLASGOW.

Steelmaking: the old and the new

PORT TALBOT has been the focus of the steel industry in Wales this year. The announcement of an \$35m investment programme in March was followed almost immediately by a disastrous nine-week strike by electricians at the plant which led to ominous noises from the management about the wisdom of the investment and in the end delayed its operation.

That the investment programme should have been greeted in such a way by a small group of men — around 560 strong out of a total workforce of some 13,000 — was ironic because the decision by the British Steel Corporation to go ahead with the spending will put Port Talbot into the big league over the next decade. By the mid 1980's when the programme has been completed, Port Talbot's output of flat products will have risen from today's 3m tonnes to some 6m tonnes and if all the promises are adhered to on the unions' side the output per man per day should be comparable to the best that the Japanese, the world's leaders, now produce.

However, there is a further irony about the Port Talbot decision. The decision to go ahead was taken at the same time as it was decided to save Shotton in North Wales, one of the Corporation's older plants and one of the few still using the outdated open hearth method of making steel.

There is little doubt that the decision to keep Shotton going — at a cost of about £10m, on some new equipment — was im-

posed on the Corporation. In its 1973 plan for the industry no place was found for Shotton and its 6,000 workers. But both they and their local MPs fought a strenuous rear-guard action. Shotton is not an area where such a large number of men could easily have found alternative employment and the effects of the closure of the works is known to have been discussed within the Cabinet.

Faced with such pressure, the Steel Corporation bowed gracefully to the inevitable and reprieved Shotton for at least five years. But it did so by refusing to spend more than the absolute minimum on the works to keep it operating efficiently.

But as in all things, there are compensations. The Corporation is still able to produce steel cheaply at Shotton despite relatively high production costs because the cost of the plant has been written down. There is an even more important compensation. As the electricians' strike proved, the transition from a low-output plant at Port Talbot (now about 230 tonnes per man per year) to Japanese levels (500 tonnes) could be accompanied by difficult industrial relations.

Shotton is an insurance. If Port Talbot is shut or running below par for any reason continuity of supplies will be ensured by having Shotton on stream. Shotton will also be more than useful if any snags arise during the installation of new equipment at Port Talbot

that cause production delays. By the time Port Talbot is completed the present workforce is expected to have been reduced to around 12,000 men. The unions have accepted this cut in principle, but since it will take place over the best part of a decade most of the men displaced are likely to go as a consequence of natural wastage.

The upgrading of the new works will take place in two stages: it was intended that the first stage, boosting output to 4m tonnes, would have been finished by the financial year 1981-82, and the whole project completed by 1985-86. But the strike has inevitably cast doubts on these dates because instead of awarding the initial major contracts next month the Corporation may have to hold back now until the next financial year, which means a delay of at least nine months. Stage one will therefore probably be pushed back into 1982-83 and final completion into 1986-87.

Improved

This would be more than a pity because the programme is not just intended to benefit Port Talbot. The improved quality of product that will result is essential to the two rolling plants at Trostre and Valldre. These two, which take around 30,000 tonnes a week from Port Talbot, are oldish works, built in the early 1950s. They supply much of the tin for the country's canning industry. They both have newish tinning lines, but unless they are to get the improved product that is promised from Port Talbot they could face increasingly severe competition.

Elsewhere in Wales the Corporation also faces difficult problems. The decision to close the old East Moors works in Cardiff has been taken and steelmaking at Ebbw Vale, right in the heart of Mr. Michael Foot's constituency, has already started to run down. Both present local employment problems.

To some extent, the Cardiff part of the plan is marginally less difficult to plan for because Guest, Keen and Nettlefolds opened a wire rod mill and an

electric arc furnace plant in the city in February, which is a £52m investment.

East Moors employs some 4,000 people but GKN with its expansion is expected to raise its workforce by between 400 and 500. While welcome to the city, this is not a lot, and it certainly will not cover the run down at East Moors. However, there is an understanding that where possible workers at East Moors will be offered jobs at GKN. On such alternative exists, unfortunately, at Ebbw Vale.

GKN's decision to put a mini-mill in Cardiff represents one of the largest single investments in the city, certainly the largest piece of industrial capital spending. The rod mill replaces the company's own 28-year-old mill at the Tremorfa works and will have a capacity of around 600,000 tons of wire rod of coiled bar a year. Most of this will go to other firms in the group.

The allied Tremorfa works will provide a major part of the billet tonnage required for the Castle works. Output of 400,000 tonnes a year is envisaged, based to a considerable extent on scrap.

GKN also has a plant at Brymbo, in North Wales, which it bought back from BSC after it was nationalised and is now in the process of modernising and expanding facilities there. Nor is this likely to be the end of the mini-mill story in Wales. A Greek consortium has plans to put up a plant in Newport while another of Britain's independent steelmakers, Dupont is currently engaged in a major re-equipment of its Llanelli plant.

At Ebbw Vale the social problems associated with the run-down of steelmaking are quite enormous. This is not an area where alternative employment exists in any quantity and the fears are particularly acute for young people seeking work for the first time. The old works has traditionally been the place where many received their apprenticeships and with its going small light industry, largely employing women, will be almost all that is left. The Government was so concerned at this that it sought a speeding-up of Hoover's expansion plans

in Merthyr in order to find an alternative form of work.

All that remains of the steelmaking are the old open hearth furnaces. Two blastfurnaces were closed in 1975 and the basic oxygen plant has been closed. The next move, probably in September, is the close of the hot strip mill, which means the end for some 350 men. While steelmaking is being phased out the £16m, tinplate complex of the plant is near completion, and this will provide work for some 200 perhaps as many as 200. The Corporation also plans a second phase tinplate complex, a while Ebbw Vale would like to see would Trostre and Velling

Valley

At the top of the valley is privately owned Natural Tube's electrical resistance welded tube mill at Tafara Bach, a £5m scheme, has a come on stream. This is colour-coated plant capable turning out up to 100,000 tons a year of tubes and pipe. Alongside will be a factory produce building panels, kitchen units. Eventually, the naubach will employ 400 people.

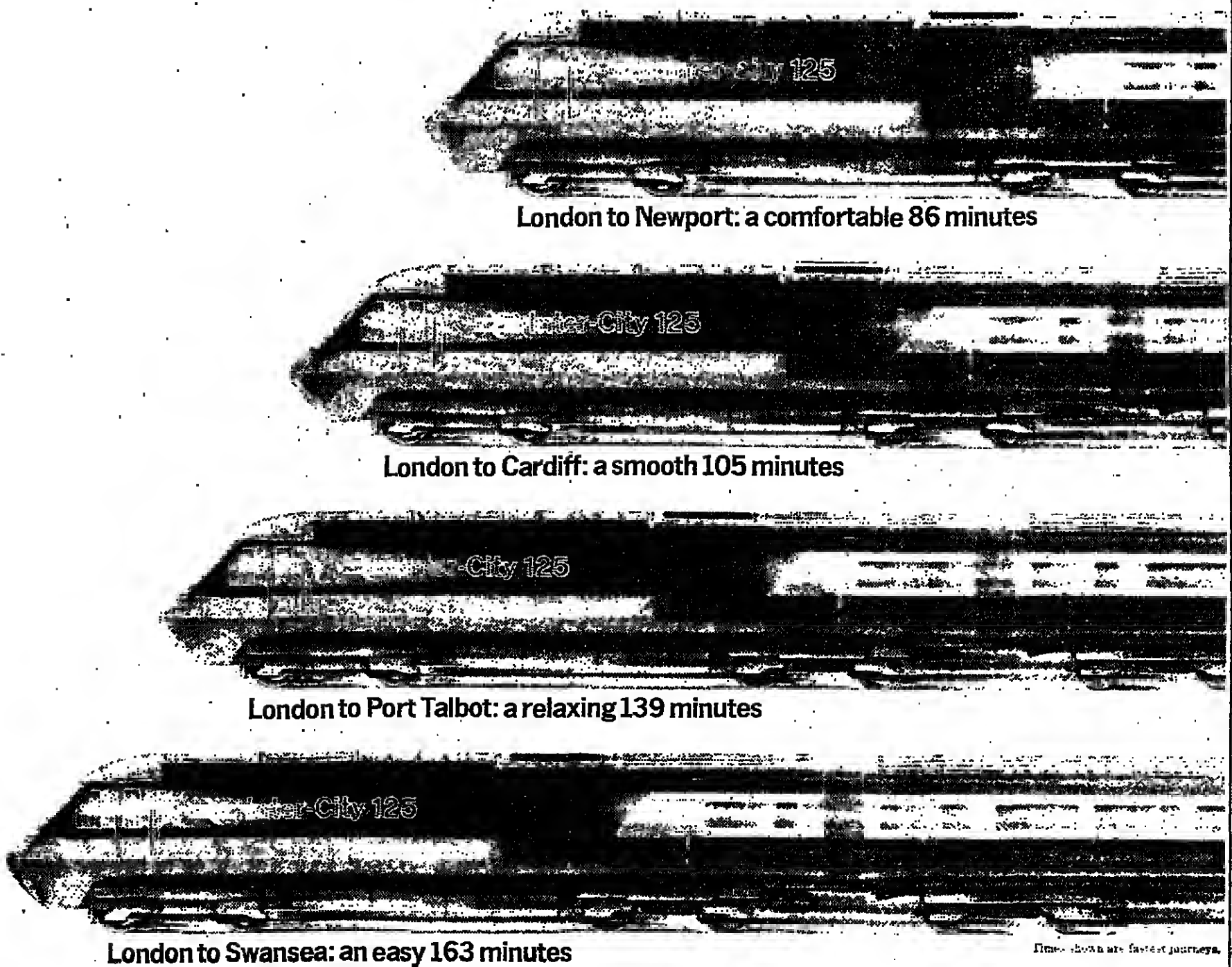
Which just leaves Llanwr child of the Macmillan era a monument to the folly of political decision making in industrial world. After a period of some difficulties Llanwrnyn working well. The most three blast furnaces is broken records — as, in truth, it should — but there are no plans to expand the present 3.5m tons a year capacity.

Much of the output of Llanwrnyn goes to the metal industry and rightly the roll from the works to Dagenham and the Midlands. Output has been running at about 30,000 tonnes a week recent and is expected to rise.

If there is little to say about Llanwrnyn it certainly will concern the Steel Corporation. It has had its share of problems in the past and the are enough difficulties to transition to a modern, independent steel industry in the rest of Wales for BSC not to be unthankful for some peace of one of its most important work

Anthony Moretti

NOW: MORE INTER-CITY 125 TRAINS, EVEN SHORTER JOURNEY TIMES (at no extra cost to you)



London to Newport: a comfortable 86 minutes

London to Cardiff: a smooth 105 minutes

London to Port Talbot: a relaxing 139 minutes

London to Swansea: an easy 163 minutes

Inter-City 125. It's the best way between London and South Wales. Now there are more 125's from Paddington. And they're faster too.

You get a comfortable seat. Room to work or relax. Air conditioning. Double-glazed, tinted windows. And on most trains you can get a hot meal, a drink or a snack.

You don't pay a penny extra to travel on Inter-City 125—just the usual range of

Fare Deals.

During the week there's an hourly 125 service in each direction between London, Newport, Cardiff, Bridgend, Port Talbot, Neath and Swansea, and also between London, Bath and Bristol. Ring 01-262 6767 for full details or pick up a pocket timetable at principal stations or appointed travel agents.

And travel Inter-City 125. Soon.

Inter-City 125 makes the going easy

The foreign invasion

IT IS probably significant that one of the first indications in Wales that the worldwide recession has been coming to an end has been provided by the announcement from the U.S.-controlled Hoover company of a major expansion of its Merthyr Tydfil, Mid-Glamorgan, plant.

For, as a recent study* has shown overseas investment is now making a major contribution to the Welsh economy and represents one of the main hopes for its continued growth over the years ahead. A phenomenon that has developed almost entirely since the last war, overseas investment has helped considerably with the necessary broadening of the Welsh economy away from its excessive specialisation on coal and steel, and has helped to fill a large part of the job gap created by the decline of older industries. At Merthyr Tydfil the 3,000 jobs the Hoover plant is expected to provide will go some way to compensate for the rundown of employment at the Ebbw Vale steelworks in one of the adjoining valleys.

The list of overseas companies in Wales now includes, apart from Hoover, such big names as Alcoa—currently completing a £35m new plant at Swansea—Ford, Monsanto, I.T.T. Sony, and four of the biggest U.S. oil companies—Esso, Amoco, Gulf, and Texaco—but they have been joined by very many other small and medium-sized overseas companies, some expanding from bases elsewhere in the UK.

And others making Wales their first European base of activity from a total of only four overseas companies in 1945 the total in Wales grew to 49 by the end of 1984 and 127 ten years later. Jobs provided in Wales by overseas controlled companies in 1974 amounted to 53,000—more than double the 1964 total, and equivalent to nearly 16 per cent of total manufacturing employment in Wales. Furthermore, whether measured in jobs, capital or output—comes as might be expected from North

America, a total of 15 countries are represented, including some of the less well-off, among them Ireland, Nigeria and Spain. The number of both German and Japanese companies in Wales—13 and 4 respectively—is greater than for any other U.K. region.

Success

The attraction of overseas companies to Wales has plainly been, therefore, one of the main industrial success stories of the past 30 years with total investment standing at the end of 1974 at around £500m, and with the companies involved sharing an estimated turnover (excluding nil) of £665m, and exporting goods overseas to the value of £157m. The importance of overseas investment to the Welsh economy can also be gauged in another way. Foreign concerns account for a substantial proportion of total employment in Wales in a number of sectors which have shown above average rates of growth in recent years—sectors which would otherwise have remained largely under-represented in the Welsh economy. Thus some 38 per cent of all workers in the chemical industry in Wales are employed by overseas companies and nearly one-third of those in electrical engineering, and instrument engineering in vehicles—largely the supply of components—overseas companies employ 39 per cent of the Welsh workforce in this sector.

But while the importance of the overseas stake is clear, were there any particular reasons why companies came to Wales and has their experience been happy? As might be expected the primary reasons for choice of a new manufacturing location in Wales cited in the report by the overseas companies are the desire to expand output and the availability of government financial inducements. Other important factors working in Wales's favour have been the availability of labour, suitable sites, good communications and

proximity of linked supplies and raw materials.

Somewhat reassuringly, main apprehension felt by potential investors—poor industrial relations—is not borne out by the experience of companies coming to Wales. Two authors of the report, Professor Glyn Davies and Dr. Thomas, both of UWIST, have a questionnaire answered by roughly half the overseas-owned companies that 85 per cent of panies classed industrial in the past 10 years have their factories in a range from excellent to satisfactory. Though the strike performance of overseas companies turns out to be marginally worse than that of indigenous companies, there were no complicated special reasons for this and the report could be taken as a general explosion of the myth that industrial relations data significantly influences industrial relations.

The industrial relations record therefore is on the good, as is the survival of companies attracted to Wales.

CONTINUED ON NEXT PAGE

OVERSEAS INVESTMENT IN WALES

Professor Glyn Davies & Dr. Ias Thomas. 220pp. £9.75. An analysis of the growth and the extent of foreign investment in Wales, including case studies and over 50 maps, figures and tables.

Christopher Davies Publishers, 4/5 Thomas Row, Swansea.

D. J. SHIRLEY LIMITED
BOARD STOCKISTS
TRADE LAMINATORS
The Old Railway Station, Tal-y-waun, Pontypool, Gwent. Phone: Newport (0432) 3779

كواليس

Devolution remains a minority view

HERE IS a sense in which the Welsh honeymoon with nationalism is over, and country movement have now settled down into the uneasy relationship of a less than well-matched couple. Welsh opinion has narrowed more strongly than ever before. Nationalism has narrowed, politically, into one party, Plaid Cymru, although it remains a long way from being a monopoly of devotion. A Welsh way of life almost as hard to find as the ideal of a free England.

Great play has been made of the rise of nationalism in Wales, but the demand for devolution has never been as strong as in Scotland. Often people would be puzzled by the length of the clamour for devolution, reported daily in the local press, on radio and television, especially when there appeared to be very few people in the immediate neighbourhood who were bothered by it. A vociferous fringe of the clamour, but, in a recent opinion poll figures as they stand, the call for devolution is a noisy one, and a commonly expressed view when the Government's plans for it fell apart as one of relief.

Undoubtedly nationalism has made astonishing strides in Wales, but the basis of its advance, in the anglicised South-west, is not so much nationalism as an acceptable socialist alternative to the South Wales labour establishment. It is the party that has so far been able to wean the solidly Labour workers away from their inborn allegiance to the Labour Party, and this is because Plaid Cymru itself is a socialist party.

untainted by generations of oligarchy. Only 20 years ago, the whole idea of a Welsh Party, Plaid Cymru, was a joke. The thought of it winning even one council seat was unthinkable. Last year, Plaid Cymru thought the unthinkable, put up hundreds of candidates in South Wales, and achieved its most brilliant success in Merthyr, where it overcame an entrenched Labour majority of at least 50 years' standing. Keir Hardie's heirs almost refused to believe it. One year and a couple of minor scandals later, Plaid Cymru has lost two seats and something of its new broom gloss. The Labour Party still shows signs of delayed shock. Plaid Cymru has not quite performed the miracles expected of it. But even if next time Labour regains power, Merthyr will never be quite the same again.

The council's latest move is to announce that it intends to introduce the Plaid Cymru policy of bilingualism. For a start some forms will be translated into Welsh, a mild enough beginning, but the council has already run into opposition from the local branch of NALGO, which fears that jobs will be decided on a language criterion.

language on the map in everyday life, their activities were accepted with a measure of tolerance. The Government had already accepted the principle that Welsh should have parity with English. Many official forms were printed in the two languages; court cases were heard increasingly in Welsh, and the young militants, mostly students, were seen as putting some extra zip into the process.

You did not by any means have to be Welsh to regret the erosion of Welsh Wales: remote farmsteads, for generations the repositories of a Welsh-speaking, chapel-going culture: in a simple, rural tradition being taken over by urban bippy groups; country cottages bought and tarted up, their original Welsh names changed into something trite from an English suburb. The insistence on place-names in Welsh was one way of re-dressing the balance. The emphasis on the teaching of Welsh, the growing numbers of all-Welsh schools, and a movement to create a Welsh "Gaeltacht", an area where only Welsh was spoken, and the development of crafts and small industries ensured enough work to keep the natives there, all seemed a practical as well as an idealistic response.

But now this mood of tolerance is changing sharply. Several incidents have pointed to the intentions of some militants that Welsh should not have parity, but precedence. Students at University College, Bangor, demanded a few months ago priority for Welsh in all aspects of the college's administration—all lecturers to learn Welsh, Welsh always in the left-hand column in bilingual notices, Welsh on top when notices were stapled together. Then there was a xenophobic call from a section of the Welsh Language Society for restrictions on "the never-ending flow of English immigrants to rural Wales," a demand that aroused as much distaste among Welsh-speakers as anyone. But perhaps the most explosive issue is the place of Welsh in the schools. Many parents are becoming restive about a policy of compulsory Welsh in some parts of Wales.

Choice

One form of backlash is coming from a surprising quarter, Aberystwyth, one of the intellectual centres of nationalism, and it is coming from people who include many native-born Welsh-speakers.

The newly formed Language Freedom Movement wants a policy for the language based on freedom of choice, a freedom which allows them not to have their children taught Welsh as well as the freedom to surround them with the language from birth. The movement is a small one, but it has potentially a greater pool of support to swim in than the Welsh Language Society.

Those who want to preserve and save Welsh are acting with

the urgency and anger of those who know that unless more people use it in daily life, it is doomed as a living language. All the Welsh signposts, all the Welsh street names, and all the Government buildings identified in two languages are so much window-dressing. Realism dictates that all commercial advertising is in English. Children and the schools are a focus of the conflict because this is where the fate of Welsh will be decided. In spite of the popularity of Welsh classes, few people learning a language in adulthood become really at home in it. There is a real ambivalence about the language in Wales. Many people want it to exist, but do not want to be involved in keeping it alive, yet Welsh is the key to a literary and poetic treasure house, and if it vanishes, not only Wales, but all Britain will be the loser.

The language will continue to be a stormy issue in Wales, and so will the policies of Plaid Cymru, whose fortunes are charted daily and whose spokesmen never stop speaking. It is sometimes hard to believe that they hold only about a quarter as many seats as the Conservatives do in Wales—and no one has yet described Wales as going Conservative.

Isobel Carson

invasion

CONTINUED FROM PREVIOUS PAGE

...destroying another myth, at the development areas can attract low skill, branch stories which will close with a first chill blast of recession. The survey points out that companies expanding from overseas are likely to be among the most efficient in their sector. The statistics of success would seem to bear this out. A handful of overseas companies attracted to Wales, have subsequently closed down their fish operations and according to the authors more than 95 per cent of overseas concerns have managed to make roots and grow.

Nevertheless, despite the successful record of overseas companies in Wales the question remains whether the pace of inward investment can be maintained over the years. Lead in the less favourable economic conditions which now seem certain to prevail. Though it has done well, its record

is no better than that of Scotland or Ireland, both of which have also seen substantial inward investment from overseas. With around 80 per cent more population than Wales, Scotland has managed to secure 97,000 jobs from overseas companies—roughly 80 per cent more than the Welsh total. The Scots have been successful, however, in attracting companies with a much greater stake in export markets and can be expected to benefit from the growth in these. The Irish who began their efforts to attract overseas industry later than Wales and Scotland have caught up with Wales in terms of employment provided—around 57,000—and because of the tax benefits they can offer also have a high proportion of export orientated industry.

The report puts at around 120,000 the number of jobs which will need to be provided from all sources in Wales over

the next decade, of which two-thirds will have to be in the manufacturing sector if the twin objectives of stimulating U.K. manufacturing, investment and restructuring the Welsh industrial base are to be followed. The task of attracting these jobs will not be any easier, than in the past, however, for a number of reasons. In particular, the outward push from the Midlands and south-east of England anticipated in the 1980s as a result of population growth is now not going to materialise and with the more prosperous parts of the U.K. also suffering during the recession it is assumed that the rest of the U.K. will probably not be able to supply more than 25,000 jobs over the next decade.

Difficulty

The expansion of existing industry within Wales is seen as capable of providing possibly a further 25,000 jobs, leaving another 30,000 jobs in the manufacturing sector to be found from the only other source available—overseas companies. Here a major difficulty is the flattening out in the surge of overseas investment by U.S. companies which took place in the 1950s and 1960s with American concerns for a variety of reasons now concentrating more on investment at home. Formerly Wales has managed to establish good links with Japanese industry which could develop as a major source of overseas investment over the next decade, providing political and union objections to the operation of Japanese companies in the U.K. are overcome.

One of the drawbacks from which Wales suffers, however, in the increasingly tough world competition for investment, is its lack of representation in some of the important decision centres. Whereas Scotland, which has enjoyed the benefits of administrative devolution much longer than Wales, is represented in London by various agencies, including the Scottish Tourist Board, the Scottish Council for Development and Industry, and the Scottish New Towns, similar Welsh bodies have been slow to follow suit.

By contrast Ireland, with a smaller economy than that of Wales, mounts its effort to attract overseas investment with offices not only in London but in France, West Germany, Denmark, Japan, Canada and the U.S. With fewer overseas companies likely to be seeking to expand Wales is clearly going to have to step up its efforts simply to maintain its share.

Overseas Investment in Wales. Prof. Glyn Davies and Dr. Ion Thomas. Development Corporation for Wales, 15, Park Place, Cardiff. £9.75.

R.D.

...the development areas can attract low skill, branch stories which will close with a first chill blast of recession. The survey points out that companies expanding from overseas are likely to be among the most efficient in their sector. The statistics of success would seem to bear this out. A handful of overseas companies attracted to Wales, have subsequently closed down their fish operations and according to the authors more than 95 per cent of overseas concerns have managed to make roots and grow.

Nevertheless, despite the successful record of overseas companies in Wales the question remains whether the pace of inward investment can be maintained over the years. Lead in the less favourable economic conditions which now seem certain to prevail. Though it has done well, its record

is no better than that of Scotland or Ireland, both of which have also seen substantial inward investment from overseas. With around 80 per cent more population than Wales, Scotland has managed to secure 97,000 jobs from overseas companies—roughly 80 per cent more than the Welsh total. The Scots have been successful, however, in attracting companies with a much greater stake in export markets and can be expected to benefit from the growth in these. The Irish who began their efforts to attract overseas industry later than Wales and Scotland have caught up with Wales in terms of employment provided—around 57,000—and because of the tax benefits they can offer also have a high proportion of export orientated industry.

The report puts at around 120,000 the number of jobs which will need to be provided from all sources in Wales over

the next decade, of which two-thirds will have to be in the manufacturing sector if the twin objectives of stimulating U.K. manufacturing, investment and restructuring the Welsh industrial base are to be followed. The task of attracting these jobs will not be any easier, than in the past, however, for a number of reasons. In particular, the outward push from the Midlands and south-east of England anticipated in the 1980s as a result of population growth is now not going to materialise and with the more prosperous parts of the U.K. also suffering during the recession it is assumed that the rest of the U.K. will probably not be able to supply more than 25,000 jobs over the next decade.

Difficulty

The expansion of existing industry within Wales is seen as capable of providing possibly a further 25,000 jobs, leaving another 30,000 jobs in the manufacturing sector to be found from the only other source available—overseas companies. Here a major difficulty is the flattening out in the surge of overseas investment by U.S. companies which took place in the 1950s and 1960s with American concerns for a variety of reasons now concentrating more on investment at home. Formerly Wales has managed to establish good links with Japanese industry which could develop as a major source of overseas investment over the next decade, providing political and union objections to the operation of Japanese companies in the U.K. are overcome.

One of the drawbacks from which Wales suffers, however, in the increasingly tough world competition for investment, is its lack of representation in some of the important decision centres. Whereas Scotland, which has enjoyed the benefits of administrative devolution much longer than Wales, is represented in London by various agencies, including the Scottish Tourist Board, the Scottish Council for Development and Industry, and the Scottish New Towns, similar Welsh bodies have been slow to follow suit.

By contrast Ireland, with a smaller economy than that of Wales, mounts its effort to attract overseas investment with offices not only in London but in France, West Germany, Denmark, Japan, Canada and the U.S. With fewer overseas companies likely to be seeking to expand Wales is clearly going to have to step up its efforts simply to maintain its share.

Overseas Investment in Wales. Prof. Glyn Davies and Dr. Ion Thomas. Development Corporation for Wales, 15, Park Place, Cardiff. £9.75.

R.D.

American Companies employ one in five of the Wrexham Maelor Industrial Workforce

James A Miller, the American President of Portec Inc. explains why...

“In the 7 years that Portec has been established in the U.K. we have enjoyed an excellent relationship with our labour force. Our factory at Wrexham in North Wales is maintaining the quality and productivity required and we are impressed by the standard of workmanship, the government financial incentives and the help and advice given by the Borough Council. We now look forward to developing the European markets from this convenient location in North Wales. The land, the labour and the factories are here, come out and be our neighbour.”

For a colour brochure giving full details of the Industrial Benefits offered by Wrexham Maelor Borough Council write or phone:

Bob Dutton, Industrial Development Officer, The Guildhall, Wrexham, Clwyd North Wales, U.K. Phone Wrexham 4611

Wrexham Maelor
The Heart of Industrial North Wales

...the development areas can attract low skill, branch stories which will close with a first chill blast of recession. The survey points out that companies expanding from overseas are likely to be among the most efficient in their sector. The statistics of success would seem to bear this out. A handful of overseas companies attracted to Wales, have subsequently closed down their fish operations and according to the authors more than 95 per cent of overseas concerns have managed to make roots and grow.

Nevertheless, despite the successful record of overseas companies in Wales the question remains whether the pace of inward investment can be maintained over the years. Lead in the less favourable economic conditions which now seem certain to prevail. Though it has done well, its record

How to get a grant of up to 22% on the cost of new industrial building, plant and machinery

Capital grants for new plant, machinery and new building. Loans on favourable terms or interest relief grants. Removal grants. New factories with a 2-year rent-free period. Competitive rents.

These are all available in Wales.

If you are considering expansion, your company could gain from these incentives. Companies already in Wales and others expanding or moving into the Principality should take advantage now of the help available.

Telephone one of the Industrial Expansion Teams today for further information or send in the coupon for our free booklet.

Cardiff tel: 0222-62151
Colwyn Bay tel: 0492-44261



Send for details

To: The Industrial Expansion Team, Welsh Office, Industry Department, Government Buildings, Gabaifa, Cardiff CF4 4YL. Please send me full details of the benefits available in Wales.

Name _____
Position in Company _____
Company _____
Nature of Business _____
Address _____

Areas for Expansion
Incentives for Industry

ISSUED BY THE DEPARTMENT OF INDUSTRY in association with the Welsh Office. FT 16/6G

John Smith

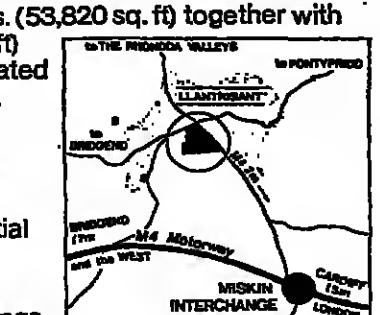
Two Key Commercial Sites

Prestige Capital City Centre.

- * Churchill Way, Cardiff. Commercial Office Site SG6
- * Total development area 37,160 sq. mtrs (400,000 sq. ft) of which up to 10% may be residential.
- * Capable of phase development with first phase up to 7,430 sq. mtrs (80,000 sq. ft)
- * 99 years ground lease.
- * Tenders will be invited within the next six weeks and interested parties should now write to the Chief Executive.

M4 Growth Point

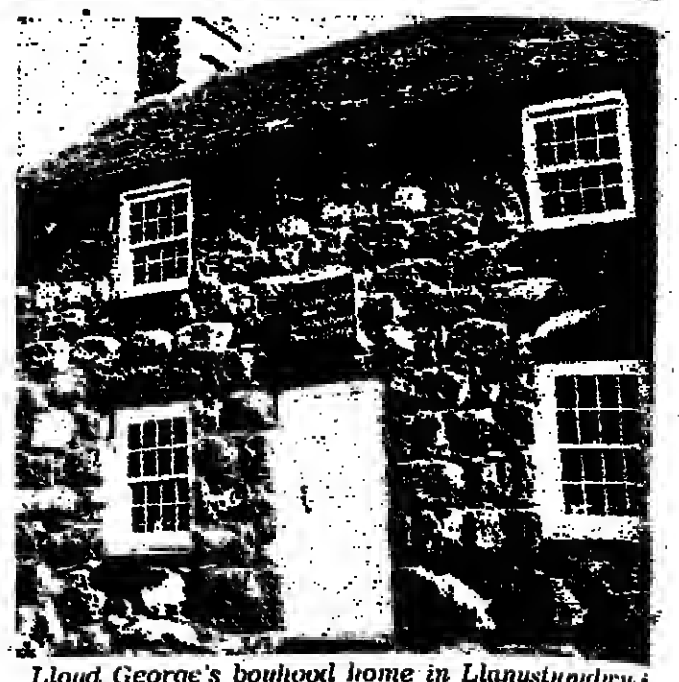
- * District centre - Llantrisant Site MG1
- * Superstore 5,000 sq. mtrs. (53,820 sq. ft) together with 1,115 sq. mtrs. (12,000 sq. ft) unit shopping and associated car parking - 500 spaces.
- * Petrol filling station
- * Offices site 1.46 hectares (3.6 acres)
- * Other commercial potential 3.2 hectares (8 acres)
- * Residential site for approximately 225 dwellings.



LAND AUTHORITY FOR WALES
AWDURDOD TIR CYMRU

Head Office, Brunel House, Cardiff CF2 1SQ. Tel: 0222-499077

Wooing the visitor



Lloyd George's boyhood home in Llansyffordd, Gwynedd.

THE WELSH have long memories. Anyone remarking on the current drive to promote Wales as a conference centre is apt to be reminded that no boasting is intended but, actually, Wales had a conference centre back in AD 80. It was at a place called Caerleon. The Romans built it, it was known as an amphitheatre and it seated 6,000 people. Audio visual facilities were excellent.

None of today's conference halls quite manages to cope with that number of people, but then neither do many conferences. One of the chief attractions of Wales as a conference centre is not just the fact that it is geared to deal with large numbers of people converging on one of a number of places at the same time, but that it offers such a lot for them to see after the talking has stopped. Welsh cities and towns are not vast sprawling affairs. They are easy to get to know and every one of them is within a short drive of attractive countryside or coastline.

One of the Principality's up-and-coming conference centres is the old walled town of Tenby, with its high Georgian houses, colourfully washed in pink, white and blue overlooking the

harbour. The new, central, air-conditioned De Valance Pavilion, opened in 1974, seats up to 550 delegates, and has a restaurant for 80 people. The Pembroke Room a little out of town, has a seating capacity of 1,250. Two hotels with ballrooms cater specifically for conferences, but there are more than 1,400 bedrooms in good licensed hotels available. Tenby offers a rewarding range of activity outside conference hours. The nearby island of Caldey with its Cistercian monastery, is open to day visitors, the water around it is full of seals and there are cruises to bird sanctuaries. Tenby also offers all the usual holiday facilities and manages to remain unspoilt by it all.

Swansea has one of the finest bays in the United Kingdom and its largest meeting place is the Brangwyn Hall (up to 1,400 can be accommodated). The university of Swansea has 1,000 beds available as well as meeting rooms for up to 400. Hotels include the Dragon, the city's largest, and the Dolphin, an older building. Both can handle meetings for up to 300 people, and across the foyer, the Sherman Theatre seats 472 people, and across the foyer, the smaller Arena Theatre is designed, in the round, for up to 150 people.

The Assembly Room in the City Hall, in the middle of

in the rolling green hills of Powys with huge hotels crying out for another use. Now they are coming into their own again as conference centres.

Llandudno, in the north has a long conference tradition, and is a favourite resort for party political conferences. This mid-Victorian seaside town, set between the two headlands of the Great and Little Orme, can accommodate 2,000 delegates in the Pier Pavilion, with an ample supply of halls and rooms in the large hotels able to cope with numbers ranging from 250 to 1,100. With the hinterland of Snowdonia, the Conwy Valley and further west, really Welsh Wales, there for the exploring, Llandudno also offers all the fun of a holiday town as well as superb facilities for sport, pony-trekking and a fine shopping centre.

Apart from the big guns of these five major conference centres, there are 20 hotels in Wales that can handle the market for residential conferences of 50-100 delegates, and 45 hotels to handle the 14-50 delegate sector. Cardiff and the Vale of Glamorgan are particularly keen to encourage more conferences in the area based on health and medicine.

Impressive

Cardiff, capital of Wales, and a fine commercial city has first class meeting facilities that range from the City Hall to the new Sherman Theatre, part of the university buildings. The Sherman Theatre seats 472 people, and across the foyer, the smaller Arena Theatre is designed, in the round, for up to 150 people.

The Assembly Room in the City Hall, in the middle of

Benefits from better transport links

BY THE late autumn, when three more sections of the M4 will have been opened in South Wales, only three sections of the road will remain to be completed. The satisfaction this will bring to those who have urged for years the need for a satisfactory infrastructure as a palliative to the economy's problems will, however, be tempered by the fact that the rest of the road will not be finished for some years to come.

One of the three gaps is the important 7.5 mile sector at the eastern entrance to Cardiff. No work is expected on it until next year at the earliest because the results of public inquiries have still to be published and the £19m. estimated cost, at November, 1976, prices is likely to turn out in actual terms to be much higher when it is finished. Since this section of the road will take at least two years to construct South Wales will not feel the full benefits of the motorway until the early 1980s.

The other two uncompleted sections, around Bridgend and around Baglan, on the outskirts of Swansea, could be even later commissioned because it will not be until October next year

that tenders are invited for the last of the work on the Bridgend bypass and no preferred route has even been drawn up for the Swansea section.

But it is the approach to Cardiff that is so important because of the capital's focal point in the economy of South Wales and it is disappointing not only that these few miles should be so long in being finished but also that the motorway will to all intents and purposes have only two lanes in each direction for much of its length in Wales. It is already clear from the density of traffic carried on some of the busier sections of the M1 and the M4 that three-lane highways are essential. Yet from the Almondsbury Interchange outside Bristol the M4 will be what is frankly inferior standard.

The choice of a dual two-lane motorway was not the dictate of some planner but rather the result of public opinion. Major objections at the planning inquiries, which pointed to the loss of agricultural land, managed to restrict the width of the road. Whether the Welsh economy suffers from this exercise in public participation will not be known for many years yet; the presumption must be that it will.

But such cavilling at what has happened must not be allowed to obscure the fact that industrial South Wales now has the basic framework of a road network that links it quickly and speedily with every other part of Britain. The planners can point to the fact that no other part of industrial Britain need be much more than three hours' drive away.

Efficient

The introduction of the high-speed trains between Swansea and Paddington have complemented the pushing westwards of the motorway. They have made return business travel in a day between the two capitals not only a physical reality but one that can be undertaken with the minimum physical tiredness.

But despite the introduction of the new trains, it is the road schemes which have done most for the economy, because they have allowed the five ports and to a lesser extent the airport at Rhosce, outside Cardiff, to tap new sources of trade.

There were fears—which academic studies have tended to confirm—that the opening of the Severn Bridge a decade ago would benefit Bristol more than South Wales because its docks were more capable of handling general cargo traffic, such as cars, fruit and timber. But first Newport and then Cardiff fought back and managed to attract trade which was in no way representative of its past.

The result has been that the five ports in South Wales run by the British Transport Docks Board have been able to capture new trade because of their more modern facilities. Last year, for instance, there was a 5 per cent increase in the volume of trade handled, taking the total to 17.9m. tons. This produced a net surplus for the board of £4.48m. compared with just £300,000 the year before.

Newport is clearly the most motorway-oriented port because it is linked directly to the road system. This has enabled it to attract the Midlands car firms, which send a portion of their foreign sales through the docks. This has helped to offset the loss of some 3,000 tons of ore a year which used to come in for the British Steel Corporation's nearby Llanwern docks. Since the opening of the deep-water docks at Port Talbot all ore for the steelworks comes through there.

Port Talbot's future is very bright because with the recently sanctioned development scheme to enlarge the town's steelworks there will be a doubling of ore and coal brought in through the docks by the mid-1980s.

Expansion

Swansea will also benefit from the expansion of Port Talbot. Of all the ports, Swansea remains the most traditional. It is the only one that still has a major coal trade—750,000 tons will be shipped out of it this year—and the only one handling steel and tinplate. These, together with its oil imports, account for the major portion of its turnover.

The two that have had to make the most changes have been Cardiff and Barry. In place of coal Cardiff now handles timber, ore, fruit, aluminium, steel, grain and dairy produce but the 3m. tons handled last year was enough to make it the largest of the five handling general traffic, although considerably behind Swansea and Port Talbot, relying heavily as they do on bulk products such as petrol, ore and coal.

Since Cardiff is now a city of service industries its need as much as anything is for easy communication with the rest of the country. Here, it still labours under the difficulties created by a lack of long-term planning and an adequate sense of priorities. Little real effort has been put into improving the roads, which connect the tops of the valleys with the ports along the coast and where one attempt was made—by building a motorway-style road on the A470 between Cardiff and Merthyr—it was allowed to peter out half way after some 15 miles. The preferred route for the completion of this road has been announced, but its completion date is still a long way off.

Meanwhile in North Wales a large programme of improvements on the A55 which will relieve pressure on the holiday towns of Rhyl, Llandudno, Colwyn Bay and Conway goes ahead, and this route will assume priority in the Welsh roadbuilding programme once the M4 is completed. The policy of piecemeal development has been largely abandoned in favour of concentration on completing major through links, and once the main arteries through North Wales and South Wales have been built attention is likely to be turned to the improvement of north-south links within Wales.

But while in the roads network the prospect is one of

gradual improvement, in aviation uncertainty remains. Rhosce, Wales's main airport, has been affected by the decline in aviation since the oil crisis and by British Airways' downgrading of the airport as a base for its operations. The airport run by a consortium of local authorities has recently completed a major programme involving improvement of the runways, lighting, terminal buildings and cargo sheds. It faces strong competition from Bristol, however, for the role of regional airport for South Wales and the West should the decision be taken to concentrate resources on one airport in the area.

Rhosce has set itself a target of capturing the short-haul traffic into Europe. With a road link planned directly to the M4 it will have a good chance of securing that objective. That is why the completion of the M4 is so important for everyone.

South Wales's reputation as a repository of slag heaps, coal-blackened rivers and iron ore tips has always turned off visitors, home-grown and foreign. Places like the Brecon Beacons, the Gower Peninsula, the Vale of Glamorgan, were once the private playgrounds of South Walesmen, but not any more. Two years ago, the Wales Tourist Board embarked on a campaign of promoting the valleys and it has been a wild success. The fact is that the valleys have always been sold short. The mountain tops and moorland above them are places of outstanding beauty and tranquility, often more impressive than areas of wider scenic reputation that have suffered from too many visitors. The Rhondda Forest, above Treherbert, offers a rolling series of mountain ranges that seem to go on for ever.

The valleys themselves make no claim to beauty, although it is remarkable how much they contain, especially now that the tip removal projects of the last ten years, are disclosing what used to be there before man got his grubby hands on it. These mineral-rich clefts between the hills were the crucible of industry in Britain, and no one with the slightest sense of history can help but find them intriguing. In Merthyr, for instance, it is still possible to see the remains of what was once the world's

largest ironworks where cannon, used in the American War of Independence and Nelson's great sea battles, made. And above it all is great castle, built by the master Crawshaw.

One of the great draws to the valley's tourism is the lack of good local accommodation, but a fine £250,000 hotel and motel on the heads of the valley above Merthyr and Aberystwyth. Tourist chief Wales see great potential in a feature of most South Wales communities, brewery buildings that could well be improved to add to the general standard accommodation.

Farming holidays are increasingly popular in the great expanses of Wales, away from the holiday coasts. Some farmers in Mid Wales have formed their own independent co-operative and have representatives on a direct tour of Belgium, Holland and Luxembourg. They are a potential visitors what would like to see during Welsh farm holiday, so they can arrange anything, a ride on a horseback over hills to an musing with shepherd on his daily round.

One criticism of holiday Wales in the past was the difference of the food and difficulty of finding anything other than chips with a bit of meat. Matters have improved. Many establishments have achieved lavish reputations in good food guides. There are now 600 establishments purring and serving Welsh food and the Welsh see no reason to shelter behind international cuisine when their own food, game fish, and home-diced meat are unbeatable. Even such austere tastes as liver bread—a bit seaweed which is rolled in meal and fried as an accompaniment to bacon—may be discovered to have its special charm.

Tourism now ranks high in the Welsh economy after industry and agriculture. It is an area where Wales is showing much enterprise and will succeed, especially in diversifying its appeal to all kind of visitors.

Kate Andri

Anthony Moreton

More and more growing companies are taking to our hills.

Special Development Area Status

A major part of Gwynedd has Special Development Area Status, which means firms moving to, or expanding in Gwynedd can take advantage of large Government grants, low interest loans and generous tax concessions.

Low operating costs

Operating costs in Gwynedd are significantly lower than in most parts of the U.K. Generally, rent and rates for commercial and industrial properties are about one-fifth of those in the South of England.

Trouble-free labour

Gwynedd has a reserve of skilled and semi-skilled labour and a record of industrial relations to be proud of.

Education & Housing

Moving a company to a growth area isn't just moving buildings and machines—it's moving people. Gwynedd has a fully developed comprehensive school system, technical colleges and University. There are adequate housing facilities to meet the full range of salary scales.

No favouritism in Gwynedd

All companies thinking of coming to Gwynedd whatever their size and operation can expect to receive the same help and assistance from our Economic Development Office.

Advance Development

Within the next 2 years allocation from Central Government has granted Gwynedd 14 1/2 acres, multi-purpose advance factory units.

Join the successful companies already operating in Gwynedd.

Companies such as Ferrod, Hi-Speed Piston, Bernard Worde and Angleyar

Aluminium are now well established in the area. These companies are already opening the door to component and much needed service industries.

Strategically positioned

Gwynedd is near the large industrial complexes of Merseyside and the Midlands. It provides an ideal situation for original equipment manufacturers and component and service industries. There is a deep water container port at Holyhead with warehouse facilities and road and rail connections. Valley Airport has operational facilities.

How to get expansion moving.

Contact: E. Lloyd Evans, Economic Development Office, Gwynedd County Council, County Office, Caernarfon LL55 2BH. Tel: Caernarfon (0286) 4121

CYNGOR SIR GWYNEDD COUNTY COUNCIL

Room to live, room to work

SWANSEA WELCOMES CAREFUL BUSINESSMEN

In these hard times one has to be careful in making any business decisions, especially those big decisions like whether to expand and where to develop your business.

Well, Swansea City Council do not cater for those who take chances. They will show you how Swansea has helped others grow. You will see the Motorways, the rail links, the ferry service to Ireland and the City's Airport putting your supplies and your customers only a short distance away. You can see the sites from 1 acre upwards ready and waiting for you. The labour, the housing, the lovely environment and a very helpful City Council are waiting for you, so nothing is left to chance.

BE ON THE SAFE SIDE — MOVE TO SWANSEA.

More details from: John Bowyer, Public Relations Officer, Swansea City Council, The Guildhall, Swansea.

Brighten your day with a success story

CWMBRAN NEW TOWN

When you plan to expand or begin manufacture in Britain, Cwmbran's experience can be of real value to you: for Cwmbran is one of Britain's most successful industrial developments.

Cwmbran Development Corporation built almost 50 factories in a two year programme and let them all within a year! Already more than 170 industrialists have made Cwmbran their industrial homes. We know the problems of relocation and have solved them. London is only 90 mins. away by the new High Speed Trains and only a little over two hours by M4. We are 90 mins. from Birmingham by M5 M50. We have 45,000 people, excellent housing, schools and shops, and every facility for work and leisure. Modern factories and leasehold sites are still available, and the Corporation welcomes enquiries from industrialists in the U.K. or overseas who wish to expand in a beautiful area with the aid of Government grants. Substantial rent concessions may apply. The key men who come with new industry can be housed immediately. Get the facts. Please use the coupon or write or telephone today.

To R. P. Munday, M.B.E., M.C., General Manager, Cwmbran Development Corporation, Gwent House, Town Centre, Cwmbran, Gwent NP4 3XJ, Wales. Telephone Cwmbran 67777.

Name _____
Position _____
Company _____
Address _____

STEPHENSON & ALEXANDER

Chartered Surveyors

5 HIGH STREET, CARDIFF

who have been established for over 150 years, handle the sale, letting, valuation, and management of all types of commercial, industrial, residential, and agricultural property throughout South Wales and Gwent.

Telephone (STD 0222) 40244

UNITED TRANSPORT COMPANY LIMITED

THROUGH INTERESTS, IN PASSENGER, ROAD, AIR AND SEA FREIGHT TRANSPORT, TOURING, CAR HIRE, FERRY, HOTEL, CONSULTANCY AND INDUSTRIAL ACTIVITIES SPREAD ALL OVER THE CONTINENTS OF THE WORLD. THE CHEPSTOW GWENT BASED UNITED TRANSPORT GROUP GENERATES INVISIBLE EARNINGS FOR WALES.

GROUP MEMBERS WITH WELSH CONNECTIONS INCLUDE:

- Acorn (BLT) Limited
- Butwark Transport Limited
- Butwark United Transport Limited
- Dendax Strabes Limited
- Huramin Engineering Co. Limited
- Gen Power Brushes Limited
- SH & Oelamatin Limited
- Andrew Rose & Sons Limited
- Industrial Parks and Landscapes Transportation Limited
- A MEMBER OF THE RET GROUP
- International Ferry Freight Limited
- Lovells Shipping and Transport Group Limited
- Lynby Industrial Holdings Limited
- South of Madladston Limited
- L. J. Stamp Limited
- United Freight Holdings Limited
- U.T.C. Finance Limited
- Robert Wyatt & Sons Limited



Just one of the desirable sites of Newport.

Newport offers everything the industrialist is looking for, including attractive sites from 1/2 to 50 acres. There is a fast motorway link with London, the Midlands and the North plus dockyards, convenient airports and fast, reliable rail services. The support of a very helpful and progressive Council is available and there are ample labour resources of all types.

And when you stop working there's some beautiful country to be explored by you, your family and your workers' families.

Send for our free brochure: Better still, motor down one afternoon and see for yourself.

Contact the Chief Executive, Ref: F. T., Civic Centre, Newport, Gwent. Telephone 0633 65491.

NEWPORT

where business has room to boom.

Handwritten signature or mark at the bottom of the page.

AUTHORISED UNIT TRUSTS

OFFSHORE AND OVERSEAS FUNDS

Handwritten signature or note at the top of the page.

Table of Authorised Unit Trusts listing various funds such as Abbey Unit Trst, Allied Nations Group, and others with their respective details and prices.

Table of Offshore and Overseas Funds listing funds like Archibut Securities, Barbican Securities, and others with their details and prices.

BASE LENDING RATES

Table of Base Lending Rates for various banks including A.B.N. Bank, Allied Irish Banks, and others.

LEADERS AND LAGGERS

Table of Leaders and Lagers showing percentage changes for various sectors like ITC, ITC, and others.

INSURANCE, PROPERTY, BONDS

Large table of Insurance, Property, and Bonds listing various companies and their products with prices and details.

NOTES

Notes section providing additional information and disclaimers regarding the data presented.

INSURANCE BASE RATES

Table of Insurance Base Rates for Property Growth, Cannon Assurance, and other policies.

Additional text at the bottom of the page, possibly contact information or further notes.

Handwritten text: "Jaffar" and "10/10/77"

NEW JAPAN SECURITIES logo and contact information: Tokyo, Japan, London Branch, Frankfurt Office, Tel. 248-6681, Tel. 590929

INDUSTRIALS - Continued table listing various industrial companies and their stock prices.

MOTOR, AIRCRAFT, MOTORCYCLES table listing companies in the automotive sector.

SHIPPING table listing shipping companies and their stock prices.

SHOES AND LEATHER table listing shoe and leather companies.

OVERSEAS TRADERS table listing international trading companies.

TRUSTS - Continued table listing various trusts and their details.

Commercial Vehicle table listing commercial vehicle companies.

Components table listing component manufacturers.

Garages and Distributors table listing automotive service providers.

INSURANCE table listing insurance companies.

Commercial Vehicle table (continued).

Components table (continued).

Garages and Distributors table (continued).

INSURANCE table (continued).

SHIPPING table (continued).

SHOES AND LEATHER table (continued).

OVERSEAS TRADERS table (continued).

TRUSTS - Continued table (continued).

SHOES AND LEATHER table (continued).

OVERSEAS TRADERS table (continued).

TRUSTS - Continued table (continued).

TRUSTS - Continued table (continued).

OVERSEAS TRADERS table (continued).

TRUSTS - Continued table (continued).

TRUSTS - Continued table (continued).

TRUSTS - Continued table (continued).

MINES - Continued table listing mining companies.

TRUSTS - Continued table (continued).

TRUSTS - Continued table (continued).

TRUSTS - Continued table (continued).

NEW JAPAN SECURITIES logo and contact information.

CENTRAL AFRICAN table listing African companies.

AUSTRALIAN table listing Australian companies.

TINS table listing tin companies.

MISCELLANEOUS table listing various other companies.

COPPER table listing copper companies.

MISCELLANEOUS table (continued).

COPPER table (continued).

MISCELLANEOUS table (continued).

COPPER table (continued).

MISCELLANEOUS table (continued).

COPPER table (continued).

MISCELLANEOUS table (continued).

COPPER table (continued).

MISCELLANEOUS table (continued).

COPPER table (continued).

MISCELLANEOUS table (continued).

COPPER table (continued).

MISCELLANEOUS table (continued).

COPPER table (continued).

MISCELLANEOUS table (continued).

COPPER table (continued).

Notes and additional information regarding the market data.

Relative Strength... CHART ANALYSIS LIMITED

CBI rejects new profit safeguards

BY MICHAEL LAFFERTY, CITY STAFF

THE GOVERNMENT'S proposals for safeguarding the profits of companies which could be investigated by the new Price Commission have been rejected by the Confederation of British Industry and other industry groups as totally inadequate.

NALGO favours further restraint

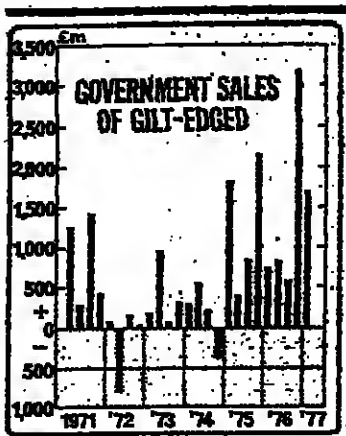
BY CHRISTIAN TYLER, LABOUR CORRESPONDENT

ONE OF the unions most directly affected by the Government's squeeze on public expenditure refused yesterday to withdraw its support for the social contract or for a further agreement on pay restraint.

THE LEX COLUMN The Bank sounds a warning note

Gilt-edged prices fell by as much as a point at the close yesterday as some of the implications of the overnight Government defeats on the Finance Bill sank in. Some damage is, of course, being done to the Budget arithmetic.

Index fell 5.3 to 450.1



So much for the rents takeover bid from Rolls-Royce, which is worth £8.5m. Obviously it was nice to know more about the details of the bid.

CompAir has long threatened a profits breakthrough. The key, grate period of normal UK demand and no disasters in Europe, looked to be development of a U.S. subsidiary.

Institutions apply for half BP share offer

BY MARGARET REID

CITY MERCHANT banks handling the Government's record £566m. sale of 66.8m. shares in British Petroleum were last night in high hopes of a successful result after indications that investing institutions had already applied for about half the shares on offer.

First Soweto death in new unrest

BY QUENTIN PEEL

JOHANNESBURG, June 15.

LARGE-SCALE police reinforcements were drafted into the township of Soweto today as the first death was reported from continuing unrest on the day before the anniversary of the outbreak of last year's riots.

Export battle Until recently the provision of EOGD finance to British exporters has been the cosy preserve of the clearing banks and the City merchant banks.

Rolls-Royce/Fodens

Halfway through 1976-77, Fodens announced interim profits of £943,000 and said that the year as a whole should finish "reasonably well".

Cosgrave favourite in Irish election

BY GILES MERRITT IN DUBLIN

IRELAND GOES to the polls in a general election today, and the growing conviction in Dublin is that the Republic's 2.1m. voters will return Mr. Liam Cosgrave's coalition Fine Gael-Labour Government for a second term, but with a reduced Parliamentary majority.

Gulf Oil

which found itself in 1973 with contracts to supply 550m. tons of oil to utilities at prices well below prevailing market prices.

Weather

Table with columns for UK TO-DAY, U.S. TO-DAY, and BUSINESS CENTRES, listing weather forecasts for various locations.

FINANCIAL EXECUTIVES OF OUTSTANDING ABILITY

Currently earning £7,000-£25,000 pa. Odgers and Co. are Management Consultants specialising in Executive Recruitment.

Odgers MANAGEMENT CONSULTANTS. Odgers and Co. Ltd., Adelaide House, London Bridge, London EC4R 9DS. Telephone 01-626-1086.

Handwritten Arabic text at the bottom of the page.